



HOUSE BILL No. 6021

September 10, 1996, Introduced by Reps. Randall and Middaugh and referred to the Committee on Commerce.

A bill to amend section 2 of Act No. 162 of the Public Acts of 1995, entitled "Credit reform act," as amended by Act No. 85 of the Public Acts of 1996, being section 445.1852 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2 of Act No. 162 of the Public Acts of
2 1995, as amended by Act No. 85 of the Public Acts of 1996, being
3 section 445.1852 of the Michigan Compiled Laws, is amended to
4 read as follows:

5 Sec. 2. As used in this act:

6 (a) "Borrower" means a person who obtains an extension of
7 credit from a regulated lender.

8 (b) "Commissioner" means the commissioner of the financial
9 institutions bureau of the department of commerce.

1 (c) "Credit card arrangement" means an extension of credit
2 that is not secured by real property made to a cardholder of a
3 credit card or charge card issued by a regulated lender under an
4 arrangement that gives to a cardholder the privilege of obtaining
5 credit from the regulated lender or any other person in purchas-
6 ing or leasing property or services, obtaining credit or loans,
7 or otherwise.

8 (d) "Credit sale" means an extension of credit for the sale
9 of goods or services by a seller that is subject to the home
10 improvement finance act, Act No. 332 of the Public Acts of 1965,
11 being sections 445.1101 to 445.1431 of the Michigan Compiled
12 Laws, or the motor vehicle sales finance act, Act No. 27 of the
13 Public Acts of the Extra Session of 1950, being sections 492.101
14 to 492.141 of the Michigan Compiled Laws.

15 (e) "Depository institution" means a bank, savings and loan
16 association, savings bank, or a credit union chartered under
17 state or federal law which maintains a principal office or branch
18 in this state.

19 (f) "Excessive fee or charge" means a fee or charge that
20 exceeds the amount allowed in section 6(1), (2), or (3), section
21 7, or any other law or statute OF THIS STATE.

22 (g) "Extension of credit" means a loan or credit sale made
23 by a regulated lender. An extension of credit does not include
24 an extension of credit described in section 501(a)(1) of title V
25 of the depository institutions deregulation and monetary control
26 act of 1980, Public Law 96-221, 12 U.S.C. 1735f-7 nt.

1 (h) "Person" means an individual, corporation, partnership,
2 association, governmental entity, or any other legal entity.

3 (i) "Regulated lender" means a depository institution, a
4 licensee under the consumer financial services act, Act No. 161
5 of the Public Acts of 1988, being sections 487.2051 to 487.2072
6 of the Michigan Compiled Laws, Act No. 379 of the Public Acts of
7 1984, being sections 493.101 to 493.114 of the Michigan Compiled
8 Laws, the motor vehicle sales finance act, Act No. 27 of the
9 Public Acts of the Extra Session of 1950, Act No. 125 of the
10 Public Acts of 1981, being sections 493.51 to 493.81 of the
11 Michigan Compiled Laws, or the regulatory loan act of 1963, Act
12 No. 21 of the Public Acts of 1939, being sections 493.1 to 493.26
13 of the Michigan Compiled Laws, or a seller under the home
14 improvement finance act, Act No. 332 of the Public Acts of 1965.