

HOUSE BILL No. 6230

November 5, 1998, Introduced by Reps. Basham and Stallworth and referred to the Committee on Commerce.

A bill to amend 1995 PA 162, entitled
"Credit reform act,"
by amending section 4 (MCL 445.1854).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) Except as provided in subsection (2), a regu-
2 lated lender may charge, collect, and receive any rate of inter-
3 est or finance charge for an extension of credit not to exceed
4 25% per annum.

5 (2) A ~~depository institution~~ REGULATED LENDER may charge,
6 collect, and receive any rate of interest or finance charge for a
7 credit card arrangement NOT TO EXCEED 18% PER ANNUM.

8 (3) Except for a fee or charge provided for in
9 section 6 or 7, in connection with an extension of credit made to
10 an individual for personal, family, or household purposes, the
11 interest or finance charge that is calculated on the principal

1 balance shall be computed only on the basis of the unpaid
2 balance.