

SENATE BILL No. 1067

March 8, 2000, Introduced by Senators MILLER, BYRUM, YOUNG, DE BEAUSSAERT, KOIVISTO, PETERS, STEIL, MC COTTER, MC MANUS, ROGERS and LELAND and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

A bill to require certain credit providers to verify a change of address requested by a consumer; and to provide for certain penalties and remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Confirmation letter" means a written communication,
3 accompanied by a stamped, self-addressed envelope, that contains
4 the following language, in substantially the following form:

5 "You have requested that future communication relating to
6 your account or credit application be mailed to you at the fol-
7 lowing address:

8 (insert new address). Before your request can be imple-
9 mented, you are required by law to sign this form and return it
10 to us in the stamped envelope that has been provided.

1 I authorize (insert name of credit provider) to direct all
2 future communication relating to my account or credit application
3 to (insert new address).

4 (insert consumer's name)".

5 (b) "Consumer" means an individual who applies for or
6 receives an extension of credit from a credit provider.

7 (c) "Credit provider" means a person who extends or offers
8 to extend credit to a consumer.

9 (d) "Person" means an individual, corporation, partnership,
10 association, governmental entity, or other legal entity.

11 Sec. 2. (1) A credit provider who has extended an offer of
12 credit to a consumer through the mail or who is providing credit
13 to a consumer shall do all of the following upon receiving notice
14 of a change of the consumer's address:

15 (a) Provide the consumer with a confirmation letter.

16 (b) Refrain from sending correspondence to the consumer at
17 the requested new address until the consumer has signed and
18 returned the confirmation letter.

19 (2) A credit provider shall retain in a consumer's account
20 record a copy of each confirmation letter signed and returned by
21 the consumer.

22 Sec. 3. A credit provider who violates this act is liable
23 for treble damages to a consumer injured by the violation.