



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 5811 (as reported without amendment)

Sponsor: Representative Bill Huizenga

House Committee: Energy and Technology

Senate Committee: Technology and Energy

CONTENT

The bill would amend Public Act 227 of 1971, which regulates home solicitation sales, to exempt certain natural gas and electricity sales from a requirement that the buyer sign an agreement.

Under the Act, in a home solicitation sale, unless the buyer requests that the seller provide goods or services without delay in an emergency, the seller must present to the buyer, and obtain the buyer's signature to, a written agreement or offer to purchase that designates as the date of the transaction the date on which the buyer actually signs. The agreement must contain a statement informing the buyer of his or her right to cancel the transaction without any penalty or obligation at any time before midnight on the third business day following the transaction. The statement must include the procedures by which the buyer may cancel the transaction.

Under the bill, these requirements would not apply to a home solicitation sale of natural gas or electricity if the seller were an electric or gas utility that was regulated by the Public Service Commission (PSC) and complied with any orders or tariffs issued by the Commission concerning home solicitations by alternative electric suppliers or alternative gas suppliers in making the solicitation. An alternative gas or electric supplier licensed by the PSC that complied with any applicable orders or tariffs concerning home solicitations also would be exempt from the requirements.

MCL 445.113

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 4-19-06

Fiscal Analyst: Maria Tyszkiewicz