

Legislative Analysis



COLLECTION AGENCIES: REMOVE BIENNIAL AUDIT

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Senate Bill 947 (Substitute S-2)

Sponsor: Sen. Rick Jones

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

Complete to 12-2-14

A SUMMARY OF SENATE BILL 947 AS REPORTED FROM HOUSE COMMITTEE

Senate Bill 947 would primarily amend Sections 910 and 917 of the Occupational Code by removing the requirement that the department of Licensing and Regulatory Affairs (LARA) audit a collection agency's books, accounts and records biennially. The bill would say instead that the department may audit a collection agency's books, accounts and records when deemed necessary by the director. (The director currently has the power to audit a collection agency whenever deemed necessary in addition to the biennial requirement.)

Senate Bill 947 also would make technical wording changes to the code.

The bill also contains an Enacting Section 1 stating: The legislature recognizes that the purpose of this article is to regulate the practice of debt collection. It is not the intent of the legislature in the creation of this article to regulate companies that hire licensed collection agencies to repossess collateral.

FISCAL INFORMATION:

Senate Bill 947 would not have a significant fiscal impact on the state or local units of government.

POSITIONS:

The following indicated support for the bill:

PAR North America (12-2-14)

MI Assoc. of Collection Agents (12-2-14)

MI Bankers Association (12-2-14)

The Department of Licensing and Regulatory Affairs is neutral. (12-2-14)

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