

Legislative Analysis



CREDIT CARD ARRANGEMENTS: EXCLUDE CREDIT FOR COMMERCIAL PURPOSES

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 728 (H-1) as reported from House committee
Sponsor: Sen. Peter MacGregor
House Committee: Financial Services
Senate Committee: Banking and Financial Institutions
Complete to 12-10-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 728 would amend Public Act 379 of 1984 to redefine the term *credit card arrangement* to mean a card-accessed loan or extension of credit made for personal, family, or household purposes (that is, not for business or commercial purposes).

Under the bill, *credit card arrangement* would mean an unsecured loan or extension of credit that is made to the holder of a credit card or charge card for a personal, family, or household purpose and is accessed via that card. (The underlined phrase would be added to the definition by the bill.)

The bill would take effect 90 days after enactment.

MCK 493.101

HOUSE COMMITTEE ACTION:

The House Committee on Financial Services reported an H-1 substitute for the bill. The substitute removed language that would have provided for the bill to be effective retroactively.

FISCAL IMPACT:

Senate Bill 728 would not have a fiscal impact on any unit of state or local government.

POSITIONS:

A representative of Comdata testified in support of the bill. (12-4-18)

The Department of Insurance and Financial Services indicated support for the bill. (12-10-18)

The Michigan Bankers Association indicated support for the bill. (12-4-18)

Legislative Analyst: E. Best
Fiscal Analyst: Marcus Coffin

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.