



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 728 (Substitute S-1 as reported)  
Sponsor: Senator Peter MacGregor  
Committee: Banking and Financial Institutions

### **CONTENT**

The bill would amend Public Act 379 of 1984, which regulates certain credit card transactions, agreements, charges, and disclosures, to revise several definitions.

The Act requires a person to be licensed under the Act before making or negotiating a credit card arrangement, unless the person is licensed under the Consumer Financial Services Act. "Credit card arrangement" means an unsecured loan or unsecured extension of credit made to the holder of a credit card or charge card, which loan or extension of credit is accessed in connection with a credit card or charge card authorized by the Act.

Under the bill, the term would mean a loan or extension of credit that meets all of the following:

- Is unsecured.
- Is made for a personal, family, or household purpose.
- Is made to the holder of a credit card or charge card.
- Requires use of a credit card authorized under the Act to access the proceeds of the loan or extension of credit.

Public Act 379 defines "person" as an individual, corporation, partnership, association, or other legal entity. Under the bill, "person" also would include a limited liability corporation.

MCL 493.101

Legislative Analyst: Stephen Jackson

### **FISCAL IMPACT**

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

Date Completed: 1-25-18

Fiscal Analyst: Michael Siracuse