



Senate Fiscal Agency
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House Bill 4411 (Substitute H-2 as passed by the House)
Sponsor: Representative Jim Lilly
House Committee: Regulatory Reform
Judiciary
Senate Committee: Insurance and Banking

Date Completed: 12-3-19

CONTENT

The bill would amend the Credit Services Protection Act to specify that a provision requiring an entity selling or attempting to sell the services of a credit services organization to perform the agreed services within 90 days after the buyer signed the contract for services would not apply to a contract for ongoing services if certain conditions were met.

The Act specifies that a credit services organization, a salesperson, agent, or representative of a credit services organization, or an independent contractor who sells or attempts to sell the services of a credit services organization may not, among other things, fail to perform the agreed services within 90 days following the date the buyer signs the contract for services.

Under the bill, this provision would not apply to a contract for ongoing services if all of the following were met:

- The agreed services consisted solely of services for the improvement of a person's credit record, history, or rating, or for advice or assistance regarding the improvement or repair of a person's credit record, history, or rating.
- The buyer agreed to pay for the agreed services as part of a written agreement that provided for periodic payments during the agreement's term solely for the ongoing performance of those services.
- The written agreement stated that the buyer could cancel it without penalty or further obligation at any time.

The bill would take effect 90 days after its enactment.

MCL 445.1823

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

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

Fiscal Analyst: Elizabeth Raczkowski

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