

SENATE BILL No. 480

September 11, 1991, Introduced by Senator ARTHURHULTZ
and referred to the Committee on Appropriations.

A bill to amend sections 3 and 7 of Act No. 379 of the
Public Acts of 1984, entitled

"An act to define and regulate certain credit card transactions,
agreements, charges, and disclosures; to prescribe the powers and
duties of the financial institutions bureau and certain state
agencies; to provide for the promulgation of rules; and to pro-
vide for fines and penalties,"

being sections 493.103 and 493.107 of the Michigan Compiled
Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 3 and 7 of Act No. 379 of the Public
2 Acts of 1984, being sections 493.103 and 493.107 of the Michigan
3 Compiled Laws, are amended to read as follows:

4 Sec. 3. (1) An application for a license under this act
5 shall be in writing, under oath, and in the form prescribed by
6 the commissioner.

1 (2) The application shall state the name, residence, and
2 business addresses of the applicant; if the applicant is a
3 partnership or association, of each member; and if a corporation,
4 of each officer, director, and stockholder. The commissioner may
5 exempt publicly held corporations from the requirement to provide
6 information regarding stockholders. The application shall
7 include other information the commissioner requires.

8 (3) At the time of making an application, the applicant
9 shall pay to the commissioner ~~-\$150.00 as a fee for investigating~~
10 ~~the applicant,~~ AN INVESTIGATION FEE and, at the time of applica-
11 tion and annually thereafter, ~~-\$300.00 as~~ an annual license fee
12 AS PROVIDED IN SECTION 7.

13 (4) Each application for a license shall be accompanied by
14 financial statements, reasonably satisfactory to the commission-
15 er, showing that the applicant's net worth exceeds
16 \$1,000,000.00. A licensee shall continue to maintain the stated
17 net worth requirement while engaging in credit card arrangements
18 and the commissioner may subsequently adopt rules establishing a
19 higher net worth requirement to assure safe, sound operation of
20 credit card arrangements authorized by this act.

21 Sec. 7. (1) The commissioner may, at any time, make neces-
22 sary investigations and examine the books, accounts, records, and
23 files of the licensee. This section shall not be construed to
24 prohibit keeping of records by electronic data processing
25 methods. A licensee shall pay an examination fee for examination
26 of its records conducted by the commissioner AS PROVIDED BY THIS
27 SECTION. ~~Annually the commissioner shall determine the rate at~~

~~1 which examination fees shall be charged for all examinations~~
~~2 conducted during the calendar year. The rate shall be not less~~
~~3 than \$15.00 per hour, or more than \$30.00 per hour for each~~
~~4 examiner engaged in an examination.~~ The examination fee shall be
5 invoiced upon the completion of the examination and ~~shall be~~ IS
6 due and payable upon receipt of the invoice by the licensee. A
7 licensee ~~shall not be~~ IS NOT required to pay more than 1 exami-
8 nation fee in a calendar year.

9 (2) ~~The amounts of the fees established pursuant to subsec-~~
10 ~~tion (1) shall be equal to the estimated cost to the bureau of~~
11 ~~processing the examination or investigation for which the fee is~~
12 ~~imposed.~~ THE COMMISSIONER SHALL ANNUALLY ESTABLISH THE SCHEDULE
13 OF FEES SUFFICIENT TO PAY THE BUREAU'S COSTS OF ADMINISTERING
14 THIS ACT. THE FEES ARE AS FOLLOWS:

15 (A) FOR THE INVESTIGATION OF AN APPLICANT FOR A LICENSE, NOT
16 LESS THAN \$200.00 OR MORE THAN \$600.00.

17 (B) FOR THE APPLICATION AND ANNUAL RENEWAL OF A LICENSE, NOT
18 LESS THAN \$300.00 OR MORE THAN \$800.00.

19 (C) FOR AMENDING A LICENSE, NOT LESS THAN \$20.00 OR MORE
20 THAN \$75.00.

21 (D) FOR EXAMINATION OF THE LICENSEE, NOT LESS THAN \$40.00 OR
22 MORE THAN \$70.00 PER HOUR FOR EACH EXAMINER INVOLVED IN AN
23 EXAMINATION. IN ADDITION, A LICENSEE SHALL PAY THE ACTUAL TRAVEL
24 AND LODGING EXPENSES INCURRED BY BUREAU EMPLOYEES WHO TRAVEL OUT
25 OF MICHIGAN TO EXAMINE THE RECORDS OF THE LICENSEE.

26 (3) FEES RECEIVED PURSUANT TO THIS ACT ARE NOT REFUNDABLE.

1 (4) A LICENSE RENEWAL FEE PAID AFTER DECEMBER 31 IS SUBJECT
2 TO A PENALTY OF \$25.00 FOR EACH DAY THE FEE IS DELINQUENT OR
3 \$1,000.00, WHICHEVER IS LESS.

4 (5) ~~All fees and expenses provided for~~ MONEY RECEIVED
5 under this act shall be paid into the state treasury to the
6 credit of the financial institutions bureau ~~and money in this~~
7 ~~account shall~~ TO be used only for the operation of the financial
8 institutions bureau.

9 (6) If any fees or expenses provided for under this act are
10 not paid ~~after due notice~~ WHEN REQUIRED, the ~~commissioner~~
11 ATTORNEY GENERAL may maintain an action against the delinquent
12 licensee for the recovery of the fees or expenses TOGETHER with
13 interest and costs.