

Act No. 261
Public Acts of 1993
Approved by the Governor
December 14, 1993
Filed with the Secretary of State
December 14, 1993

**STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1993**

Introduced by Senator Dillingham

ENROLLED SENATE BILL No. 852

AN ACT to amend section 14 of Act No. 285 of the Public Acts of 1925, entitled as amended "An act to provide for the organization, operation, and supervision of credit unions; to provide for the conversion of a state credit union into a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States and for the conversion of a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States into a state credit union; and to provide for the merger of credit unions organized and supervised under the laws of this state, credit unions organized and supervised under the laws of any other state or territory of the United States, and federal credit unions," as amended by Act No. 246 of the Public Acts of 1992, being section 490.14 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 14 of Act No. 285 of the Public Acts of 1925, as amended by Act No. 246 of the Public Acts of 1992, being section 490.14 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 14. Interest rates on loans made by a credit union shall not exceed 15% per annum on unpaid balances, except that a rate of 16.5% or less per annum on unpaid balances may be charged on a loan for the purchase of a motor vehicle that is made on or before December 31, 1997. Loans made for the purchase of a motor vehicle, regardless of whether the loan specifies a term to maturity or is made pursuant to a line of credit, credit card, or other similar agreements, are subject to the applicable interest rate ceiling of this section. Loans made by a credit union to another credit union as permitted under this act are not subject to the interest rate limitations of this section or any other provisions of the laws of this state.

This act is ordered to take immediate effect.

Secretary of the Senate.

Co-Clerk of the House of Representatives.

Approved -----

Governor.