



HOUSE BILL No. 4606

April 1, 1993, Introduced by Reps. Shugars, Jaye, Rhead and Jamian and referred to the Committee on Business and Finance.

A bill to amend sections 111 and 209 of Act No. 332 of the Public Acts of 1965, entitled as amended "Home improvement finance act," section 111 as amended by Act No. 202 of the Public Acts of 1985, being sections 445.1111 and 445.1209 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 111 and 209 of Act No. 332 of the
2 Public Acts of 1965, section 111 as amended by Act No. 202 of the
3 Public Acts of 1985, being sections 445.1111 and 445.1209 of the
4 Michigan Compiled Laws, are amended to read as follows:

5 Sec. 111. Compliance with the requirements of ~~Title I of~~
6 ~~the consumer credit protection~~ THE TRUTH IN LENDING act, TITLE I
7 OF Public Law 90-321, 15 U.S.C. 1601 to ~~+667e, commonly referred~~
8 ~~to as the federal truth in lending act,~~ 1608, 1610 TO 1613, 1631

1 TO 1635, 1637 TO 1638, 1640 TO 1647, AND 1661 TO 1667e, is
2 compliance with the disclosure provisions of section 203(b), (c),
3 (d), (e), (f), (g), (h), (i), (j), and (k), and section 204a(3).

4 Sec. 209. A home improvement installment contract, INCLUD-
5 ING A CONTRACT SUBJECT TO SECTION 309, may ~~provide for the pay-~~
6 ~~ment by~~ REQUIRE the buyer ~~of~~ TO PAY TO THE HOLDER a delin-
7 quency ~~and collection~~ charge on each installment in default for
8 a period of not less than 10 days in an amount not in excess of
9 \$5.00 ON A PAYMENT OF \$100.00 OR LESS OR 5% of ~~such~~ THE
10 installment ~~or \$5.00, whichever is less~~ ON A PAYMENT OF MORE
11 THAN \$100.00. Only 1 ~~such~~ delinquency and collection charge
12 may be collected on any ~~such~~ installment regardless of the
13 period during which it remains in default. A contract may also
14 provide for the payment of court costs actually incurred and of
15 REASONABLE attorney's fees ~~not exceeding 20% of the amount due~~
16 ~~and payable under such~~ IF THE contract ~~if the~~ IS REFERRED FOR
17 COLLECTION TO AN attorney WHO is not a salaried employee of the
18 contractor or holder. ~~for collection.~~