

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5888

A bill to amend 1950 (Ex Sess) PA 27, entitled
"Motor vehicle sales finance act,"
by amending section 4 (MCL 492.104) and by adding section 6a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 4. (1) ~~(a) Applications for licenses~~ **A person shall**
2 **file an application for a new or renewal license** under this act
3 ~~shall be~~ in writing, under oath, and in the form prescribed by
4 the administrator.
- 5 (2) ~~(b) The~~ **A complete license** application shall contain
6 ~~the~~ **all of the following:**
- 7 (a) **The** name under which the business is conducted. ~~the~~
8 (b) **The** address of the principal place of business and of
9 each other place of business, if more than 1. ~~the~~
- 10 (c) **One of the following:**
- 11 (i) **The** date and place of incorporation ~~and~~ **and the name and**

1 address of all officers and directors if the applicant is a
2 corporation. ~~the~~

3 (ii) The name and residence address of the owner ~~the~~ if the
4 applicant is an individual owner or operating under an assumed
5 name. ~~the~~

6 (iii) The name and residence address of all owners, partners,
7 or members ~~the~~ if the applicant is a partnership, ~~or~~
8 association, ~~the name and address of all officers and~~
9 ~~directors, if the applicant is a corporation; and such or~~
10 limited liability company.

11 (d) An appointment under subsection (3), if applicable.

12 (e) The bond required under section 5, if applicable.

13 (f) The license fee or fees required under section 5.

14 (g) Any other information ~~as~~ the administrator ~~may~~
15 ~~require~~ requires.

16 ~~(c) All applications filed by associations or corporations~~
17 ~~shall be accompanied by a power of attorney showing the name and~~
18 ~~address of the authorized agent in the state of Michigan upon~~
19 ~~whom all judicial and other process or legal notice may be~~
20 ~~served, and in the case of the death, removal from the state or~~
21 ~~any legal disability or disqualification of such agent, service~~
22 ~~of such process or notice upon the administrator shall be~~
23 ~~authorized.~~

24 (3) If a license applicant does not maintain an office in
25 this state and does not have a resident agent in this state, the
26 application shall include a written appointment of a statutory
27 agent upon whom process, notice, or demand may be served. The

1 statutory agent shall be an individual residing in this state or
2 a corporation whose principal place of business is located in
3 this state. If the identity or address of the statutory agent
4 changes while the application is pending or after a license is
5 issued, the applicant or licensee shall within 3 days file with
6 the department a written appointment of the new statutory agent
7 or written notice of the new address, as applicable.

8 (4) ~~(d)~~ A new or renewal license applicant shall submit a
9 separate application, on the prescribed form, ~~shall be filed~~
10 for each place of business conducted by or to be established by
11 ~~a~~ the licensee within ~~the~~ this state. ~~of Michigan.~~

12 (5) ~~(e) All applications~~ An applicant for a renewal license
13 shall submit the application for renewal of ~~existing licenses~~
14 ~~shall be filed at least 15 days prior to July first annually~~ the
15 license on or before the June 16 preceding the renewal period.

16 Sec. 6a. (1) Subject to subsection (3), beginning on the
17 effective date of the amendatory act that added this section, the
18 administrator shall approve or reject a new or renewal license
19 application within 90 days after the date a complete application under
20 section 4 is received by the office of financial and insurance
21 services or the date it is received by another agency or
22 department of state government on behalf of the office of
23 financial and insurance services, whichever is earlier.

24 (2) If an application described in subsection (1) is
25 considered incomplete by the administrator, the administrator
26 shall notify the applicant in writing or electronically within 30
27 days after receipt of the incomplete application, describing the

1 deficiency and requesting the additional information, the unpaid
2 fee, or the bond. The 90-day time period described in subsection
3 (1) is tolled upon notification by the administrator of a
4 deficiency until the date the requested information is received
5 by the administrator. The determination of the completeness of
6 an application does not operate as an approval of the application
7 for the license and does not confer eligibility of an applicant
8 determined otherwise ineligible for issuance of a license. The
9 tolling of the 90-day time period under this subsection does not
10 allow the administrator to otherwise delay the processing of the
11 application, and that application, upon completion, shall be
12 placed in sequence with other complete applications received at
13 that same time.

14 (3) If the administrator fails to issue or deny a license
15 within the time required by this section, the administrator shall
16 return the license fee and shall reduce the license fee for the
17 applicant's next renewal application, if any, by 15%. The
18 administrator shall not discriminate against an applicant in the
19 processing of the application based upon the fact that the
20 license fee was refunded or discounted under this subsection.

21 (4) Beginning October 1, 2005, the administrator shall submit
22 a report by December 1 of each year to the standing committees of
23 the senate and house of representatives concerned with commerce
24 issues and to the appropriations subcommittees of the senate and
25 house of representatives generally responsible for appropriations
26 to the office of financial and insurance services. The
27 administrator shall include all of the following information in

1 the report concerning the preceding fiscal year:

2 (a) The number of initial and renewal applications the
3 administrator received and completed within the 90-day time
4 period described in subsection (1).

5 (b) The number of applications denied.

6 (c) The number of applicants not issued a license within the
7 90-day time period and the amount of money returned to licensees
8 and registrants under subsection (3).