

# HOUSE BILL No. 5888

May 12, 2004, Introduced by Reps. LaJoy, Richardville, Shackleton, Stahl, Voorhees, Amos, Palsrok, Taub, Meyer, Garfield, Nitz, DeRoche, Milosch, Pumford, Hummel, Steil, Koetje, Bisbee, Hune, Tabor, Shaffer, DeRossett, Ehardt, Gaffney, Newell, Caswell, Walker, Moolenaar, Acciavatti, Huizenga, Kooiman, Caul, Hoogendyk, Nofs and Sheen and referred to the Committee on Government Operations.

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 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 ~~—~~ 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 ~~—~~ 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) Any** other information ~~as~~ the administrator ~~may~~  
13 ~~require~~ **requires.**

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

22 **(3) If a license applicant does not maintain an office in**  
23 **this state and does not have a resident agent in this state, the**  
24 **application shall include a written appointment of a statutory**  
25 **agent upon whom process, notice, or demand may be served. The**  
26 **statutory agent shall be an individual residing in this state or**  
27 **a corporation whose principal place of business is located in**

1 this state. If the identity or address of the statutory agent  
2 changes while the application is pending or after a license is  
3 issued, the applicant or licensee shall within 3 days file with  
4 the department a written appointment of the new statutory agent  
5 or written notice of the new address, as applicable.

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

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

14 Sec. 6a. (1) Subject to subsection (3), beginning on the  
15 effective date of the amendatory act that added this section, the  
16 administrator shall approve or reject a new or renewal license  
17 application within 6 months after receiving the complete  
18 application under section 4, the bond required under section 5,  
19 if applicable, and the license fee or fees required from the  
20 applicant under section 5.

21 (2) If a new or renewal license application is considered  
22 incomplete by the administrator, the bond is not delivered, or  
23 the license fees are not paid, the administrator shall notify the  
24 applicant in writing within 10 days after receipt of the  
25 application, describing the deficiency and how the applicant may  
26 remedy the discrepancy.

27 (3) The 6-month time period described in subsection (1) is

1 tolled from the date the administrator notifies an applicant of a  
2 deficiency under subsection (2) until the date the administrator  
3 received the missing information, bond, or fees to remedy the  
4 deficiency.

5 (4) If the administrator fails to approve or reject a new or  
6 renewal license application within the time period required under  
7 this section, the administrator shall return the license fee or  
8 fees required under section 5 to the applicant, and shall reduce  
9 the license fee or fees for the applicant's next renewal  
10 application, if any, by 15%. The administrator shall not  
11 discriminate against an applicant in the processing of an  
12 application based on the fact that the application fee was  
13 returned or reduced under this subsection.

14 (5) Beginning January 31, 2005, the director of the  
15 department shall submit a report by January 31 of each year to  
16 the standing committees of the senate and house of  
17 representatives concerned with commerce issues and to the  
18 appropriations subcommittees of the senate and house of  
19 representatives generally responsible for appropriations to the  
20 administrator. The director shall include all of the following  
21 information in the report concerning the preceding calendar  
22 year:

23 (a) The number of new and renewal license applications the  
24 authority received and processed within the time period described  
25 in subsections (1) and (3), and the number that the administrator  
26 did not process within that time period.

27 (b) The number of applications requiring a notice under

1 subsection (2).

2 (c) The average time for an applicant to respond to a request  
3 for additional information.

4 (d) The number of applications rejected, categorized by  
5 reason for rejection.

6 (e) The amount of money returned to licensees under  
7 subsection (4).

8 (f) The average processing time for processing new and  
9 renewal license applications that are granted after the time  
10 period described in subsections (1) and (3).