

Act No. 283
Public Acts of 2004
Approved by the Governor
July 22, 2004
Filed with the Secretary of State
July 23, 2004
EFFECTIVE DATE: July 23, 2004

STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 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

ENROLLED HOUSE BILL No. 5888

AN ACT to amend 1950 (Ex Sess) PA 27, entitled "An act defining and regulating certain installment sales of motor vehicles; prescribing the conditions under which such sales may be made and regulating the financing thereof; regulating and licensing persons engaged in the business of making or financing such sales; prescribing the form, contents and effect of instruments used in connection with such sales and the financing thereof; prescribing certain rights and obligations of buyers, sellers, persons financing such sales and others; limiting charges in connection with such instruments and fixing maximum interest rates for delinquencies, extensions and loans; regulating insurance in connection with such sales; regulating repossessions, redemptions, resales and deficiency judgments and the rights of parties with respect thereto; authorizing extensions, loans and forbearances related to such sales; authorizing investigations and examinations of persons engaged in the business of making or financing such sales; transferring certain powers and duties with respect to finance companies to the commissioner of the financial institutions bureau; and prescribing penalties," by amending section 4 (MCL 492.104) and by adding section 6a.

The People of the State of Michigan enact:

Sec. 4. (1) A person shall file an application for a new or renewal license under this act in writing, under oath, and in the form prescribed by the administrator.

(2) A complete license application shall contain all of the following:

(a) The name under which the business is conducted.

(b) The address of the principal place of business and of each other place of business, if more than 1.

(c) One of the following:

(i) The date and place of incorporation and the name and address of all officers and directors if the applicant is a corporation.

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

(iii) The name and residence address of all owners, partners, or members if the applicant is a partnership, association, or limited liability company.

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

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

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

(g) Any other information the administrator requires.

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

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

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

(5) An applicant for a renewal license shall submit the application for renewal of the license on or before the June 16 preceding the renewal period.

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

(2) If an application described in subsection (1) is considered incomplete by the administrator, the administrator shall notify the applicant in writing or electronically within 30 days after receipt of the incomplete application, describing the deficiency and requesting the additional information, the unpaid fee, or the bond. The 90-day time period described in subsection (1) is tolled upon notification by the administrator of a deficiency until the date the requested information is received by the administrator. The determination of the completeness of an application does not operate as an approval of the application for the license and does not confer eligibility of an applicant determined otherwise ineligible for issuance of a license. The tolling of the 90-day time period under this subsection does not allow the administrator to otherwise delay the processing of the application, and that application, upon completion, shall be placed in sequence with other complete applications received at that same time.

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

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

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

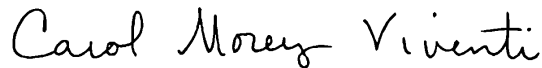
(b) The number of applications denied.

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

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor