

HOUSE BILL No. 5842

May 12, 1998, Introduced by Reps. Alley, Basham, LaForge, Bogardus, Hale, Bodem, Baade, Callahan and DeVuyst and referred to the Committee on Commerce.

A bill to amend 1988 PA 161, entitled
"Consumer financial services act,"
by amending section 17 (MCL 487.2067).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 17. (1) A licensee under this act is prohibited from
2 engaging in the following activities:

3 (a) The business of a real estate broker or real estate
4 salesperson licensed under article 25 of the occupational code,
5 ~~Act No. 299 of the Public Acts of 1980, being sections 339.2501~~
6 ~~to 339.2515 of the Michigan Compiled Laws~~ 1980 PA 299, MCL
7 339.2501 TO 339.2518.

8 (b) The business of a pawnbroker licensed under ~~Act No. 273~~
9 ~~of the Public Acts of 1917, being sections 446.201 to 446.219 of~~
10 ~~the Michigan Compiled Laws~~ 1917 PA 273, MCL 446.201 TO 446.219.

1 (c) The business of a debt management company licensed under
2 the debt management act, ~~Act No. 148 of the Public Acts of 1975,~~
3 ~~being sections 451.411 to 451.437 of the Michigan Compiled Laws~~
4 1975 PA 148, MCL 451.411 TO 451.437.

5 (D) PROVIDING A CONSUMER WITH EITHER OF THE FOLLOWING:

6 (i) AN UNSOLICITED BLANK CHECK THAT WOULD ENABLE THE CON-
7 SUMER TO INCUR A NEW OR ADDED DEBT BURDEN SOLELY BY IDENTIFYING A
8 PAYEE AND ENDORSING THE CHECK.

9 (ii) AN UNSOLICITED CHECK IN A FIXED-AMOUNT THAT WOULD
10 ENABLE THE CONSUMER TO INCUR A NEW OR ADDED DEBT SOLELY BY
11 ENDORSING THE CHECK.

12 (2) A licensee is prohibited from entering into a tying
13 arrangement whereby the licensee conditions the sale of 1 finan-
14 cial service to a consumer on the agreement by the consumer to
15 purchase 1 or more other financial services from the licensee, an
16 affiliate, or subsidiary of the licensee.

17 (3) AS USED IN THIS SECTION, "CONSUMER" MEANS A NATURAL
18 PERSON.

19 Enacting section 1. This amendatory act does not take
20 effect unless Senate Bill No. _____ or House Bill No. _____
21 (request no. 05990'98 *) of the 89th Legislature is enacted into
22 law.