

**SUBSTITUTE FOR
SENATE BILL NO. 728**

A bill to amend 1984 PA 379, entitled

"An act to define and regulate certain credit card transactions, agreements, charges, and disclosures; to prescribe the powers and duties of the financial institutions bureau and certain state agencies; to provide for the promulgation of rules; and to provide for fines and penalties,"

by amending the title and section 1 (MCL 493.101).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to define and regulate certain credit card transactions, agreements, charges, and disclosures; ~~to prescribe the powers and duties of the financial institutions bureau and certain state agencies;~~ **TO PROVIDE FOR THE POWERS AND DUTIES OF CERTAIN STATE OFFICERS AND ENTITIES;** to provide for the promulgation of rules; and to provide ~~for fines~~ **REMEDIES** and penalties.

Senate Bill No. 728 as amended May 3, 2018

1 Sec. 1. As used in this act:

2 (a) "Commissioner" means the ~~commissioner of the financial~~
3 ~~institutions bureau of the department of commerce and authorized~~
4 ~~representatives of the commissioner.~~**DIRECTOR OF THE DEPARTMENT OF**
5 **INSURANCE AND FINANCIAL SERVICES OR HIS OR HER AUTHORIZED**
6 **REPRESENTATIVE.**

7 (b) "Licensee" means a person **THAT IS** licensed under this act.

8 (c) "Person" means an individual, corporation, **LIMITED**
9 **LIABILITY COMPANY**, partnership, association, or other legal entity.

10 (d) "~~<<"Credit"~~**BEGINNING DECEMBER 28, 1984, "CREDIT">>** card
11 ~~arrangement" means an unsecured~~**A loan or**
~~unsecured extension of credit~~ **THAT MEETS ALL OF THE FOLLOWING:**

12 (i) **IS UNSECURED.**

13 (ii) **IS MADE FOR A PERSONAL, FAMILY, OR HOUSEHOLD PURPOSE.**

14 (iii) **IS** made to the holder of a credit card or charge card.

15 ~~which loan or extension of credit is accessed in connection with~~

16 (iv) **REQUIRES USE OF** a credit card or charge card authorized
17 ~~by~~**UNDER** this act **TO ACCESS THE PROCEEDS OF THE LOAN OR EXTENSION**
18 **OF CREDIT.**

19 (e) "Credit card" or "charge card" means any card or device
20 **THAT IS** issued by a licensee under a credit card arrangement ~~which~~
21 ~~arrangement gives to a cardholder the privilege of obtaining~~**THAT**
22 **ALLOWS THE CARDHOLDER TO OBTAIN** credit from the card issuer or any
23 other person ~~in purchasing or leasing~~**TO PURCHASE OR LEASE** property
24 or services, ~~obtaining~~**OBTAIN A LOAN OR** credit, ~~or loans,~~ or
25 ~~otherwise.~~**FOR ANY OTHER PURPOSE.**

26 (f) "Truth in lending act" means ~~title I of the consumer~~
27 ~~credit protection act, Public Law 90-321, 15 U.S.C. 1601 to~~

Senate Bill No. 728 as amended May 3, 2018

1 ~~1667e.~~**THE TRUTH IN LENDING ACT, 15 USC 1601 TO 1667F.**

2 Enacting section 1. This amendatory act takes effect 90 days

3 after the date it is enacted into law.

<<Enacting section 2. Section 1(d), as amended by this amendatory
act, applies retroactively.>>