

**STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

Bulletin 2005-19-CF

In the matter of

**License Application Timeline and Process
Under the Deferred Presentment Service
Transactions Act**

**Issued and entered
this 29th day of December, 2005
By Linda A. Watters
Commissioner**

The Michigan Legislature enacted 2005 PA 244, the Deferred Presentment Service Transactions Act (Act), MCL 487.2121 to MCL 487.2173, effective November 28, 2005. Article 2, Section 11(3) of the Act, MCL 487.2131, provides:

By January 1, 2006, the commissioner by administrative bulletin, order or rule shall establish an application process and an application timeline for license applications under this act.

By issuance of this bulletin, the commissioner establishes the following application timeline:

- **February 1, 2006 – Application forms available.** A deferred presentment service transactions license application form and application instructions, together with a schedule of fees, will be available on the Office of Financial and Insurance Services (OFIS) website at www.michigan.gov/ofis. OFIS will begin accepting applications for processing on the same date.
- **March 31, 2006 – Initial applications deadline.** Any person expecting to conduct deferred presentment service transactions in this state on June 1, 2006 under the Act must submit to OFIS no later than this date an application as specified in the Act, this bulletin, and the application instructions. Those wishing to obtain a license effective after June 1, 2006 must provide OFIS a complete application at least 60 days prior to the date they want to begin operating.
- **June 1, 2006 – Initial licensing deadline.** On and after this date, no person shall engage in providing deferred presentment service transactions in this state without a license issued by OFIS under the Act, unless such person submitted a complete application for a license by March 31, 2006. This limited authority to

provide deferred presentment service transactions after June 1, 2006 without a license ceases immediately if OFIS rejects or denies the person's application.

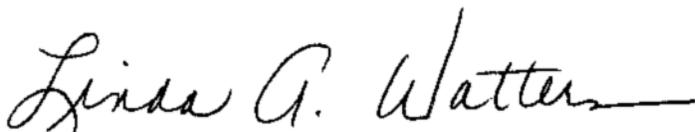
- **September 30, 2007 – Initial license expiration date.** Deferred presentment service transactions licenses will expire on September 30, 2007 unless the license is renewed, surrendered, revoked, or suspended.

By issuance of this bulletin, the commissioner establishes the following application process:

- Applicants must follow the instructions provided and complete under oath the license application form prescribed by the commissioner that will be available on the OFIS website.
- The commissioner will determine whether the application is complete.
- The commissioner will investigate:
 - whether the applicant has the financial responsibility, financial condition, business experience, character, and general fitness to reasonably warrant a belief that the applicant will conduct its business lawfully and fairly AND
 - whether the applicant or any person who is a member, partner, executive officer, or a shareholder with 10% or more interest in the applicant has engaged in any criminal activity; fraud; other act of personal dishonesty; any act, omission, or practice that constitutes a breach of a fiduciary duty; or has been the subject of any suspension, removal, or administrative action by any agency or department of the United States or any state.
- The commissioner will issue a license to engage in deferred presentment service transactions if the applicant meets the requirements of the Act.
- If the commissioner determines that an applicant is not qualified to receive a license, the commissioner shall notify the applicant in writing that the application has been denied, stating the basis for denial and the applicant's rights, under this Act, relative to that denial.

Any questions regarding this bulletin should be directed to:

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Deferred Presentment Service Transactions (DPST) Licensing
611 West Ottawa Street
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Lansing, Michigan 48909-7720
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Linda A. Watters
Commissioner of Financial and Insurance Services