



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 952 (Substitute S-1 as amended)
Sponsor: Senator Doug Carl
Committee: Financial Services

CONTENT

The bill would amend the Uniform Securities Act to allow a person to transact business in Michigan as an investment advisor, without registering under the Act, if his or her only clients in Michigan gained access to the person's service via telephone and the service were not specific to an individual investor.

The Act prohibits a person from transacting business as an investment advisor unless the person complies with one of the following:

- He or she is registered under the Act.
- He or she is registered as a broker-dealer without the imposition of conditions under the Act.
- His or her only clients in Michigan are investment companies as defined in the Federal Investment Company Act or insurance companies, banks, or trust companies.

The bill would add to that list that the person's only Michigan clients were individuals who gained access to the person's services through a 1-900 or 1-800 telephone number, if the services were generic in nature, were not customized or specific to an individual, and would not otherwise be considered to be the offering of investment advice.

MCL 451.601

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 5-9-96

Fiscal Analyst: M. Barsch