

GUARANTY DEPOSITS

Act 347 of 1921

AN ACT to allow public utilities to require a guaranty deposit; to require public utilities to pay interest on guaranty deposits; and to prescribe certain powers and duties of the Michigan public service commission.

History: 1921, Act 347, Eff. Aug. 18, 1921 ;-- Am. 1988, Act 168, Imd. Eff. June 17, 1988

The People of the State of Michigan enact:

460.651 Guaranty deposit; approval of terms and conditions.

Sec. 1.

A public utility regulated by the Michigan public service commission may require a ratepayer to pay a deposit as a guaranty for the payment of the utility's services. In the absence of specific rules adopted by the commission, the terms and conditions for a guaranty deposit required by a utility must be approved by the commission.

History: 1921, Act 347, Eff. Aug. 18, 1921 ;-- CL 1929, 11108 ;-- CL 1948, 460.651 ;-- Am. 1988, Act 168, Imd. Eff. June 17, 1988

460.652 Rules.

Sec. 2.

The Michigan public service commission may prescribe by rule all of the following:

- (a) The circumstances under which a utility may require a guaranty deposit.
- (b) The amount of the guaranty deposit.
- (c) The interest rate payable on the guaranty deposit.
- (d) The method by which the utility will pay interest on the guaranty deposit to the ratepayer.
- (e) The circumstances under which the guaranty deposit must be returned to the ratepayer.

History: 1921, Act 347, Eff. Aug. 18, 1921 ;-- CL 1929, 11109 ;-- CL 1948, 460.652 ;-- Am. 1988, Act 168, Imd. Eff. June 17, 1988