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.

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