

Bill would bring back small loan companies

By Tim Richard
staff writer

Sen. Doug Cruce's bill to bring small loan companies back to Michigan won 27-9 state Senate approval but faces an uphill battle in the House, where majority Democrats still like price controls.

"We had many more small loan businesses in Michigan," Cruce, R-Troy, told the Senate Tuesday. "But we arbitrarily put a lower ceiling on small loans."

"I guess I'm the confused flunk-out on economics," replied Sen. Joe Conroy, D-Flint, an opponent. "What it really does is raise interest rates."

SENATE BILL 111 would:
• Raise the regulatory loan ceiling from \$3,000 to \$8,000.

• Raise allowable interest rates from 18 percent to 22 — the same as many retailers' credit cards.

• Raise loan processing fees lenders can charge.

• Ease regulation of lenders by providing for two-year rather than one-year examinations by the state Financial Institutions Bureau.

Supporters included Republicans Mat Danasick of Lake Orion, Robert Geake of Northville and David Honigman of West Bloomfield and Democrat William Faust of Westland.

Opposed was Democrat Jack Faxson of Farmington Hills. Absent was

Small loan companies perform a valuable service by providing credit to those who have never established it.

— Sen. Doug Cruce
R-Troy

George Z. Hari, D-Deerborn.

STORE FRONT small loan companies, run by mythical TV characters like "Friendly Bob Adams," have virtually disappeared from the Michigan landscape since the 1970s.

Citing his own experience as a returning veteran, Cruce said they perform a valuable service by providing credit to those who never have established it or have had credit histories.

The bill split minority Democrats down the middle. In a rare floor speech, Faust of Westland said in support:

"The question is: Do you want to make this type of loan available to consumers of Michigan? . . . Most of their loans are quite low — less than \$1,000. Their experience on bad debts is less than 1 percent."

ANOTHER SUBURBAN Democrat, Gil DiNello of East Detroit, argued state government can't regulate



Sen. Doug Cruce

market rates without drying up the supply of credit.

"It looks good to the public and people who don't know how the system works" to put a low lid on interest rates, said DiNello, a maverick Democrat frequently at odds with the UAW.

But David Holmes, D-Detroit, likened small loan companies to the "juice racket" where "people can always get money if they're ready to pay for it."

"If you have a heart for poor people . . ." protested Jackie Vaughn III, D-Detroit.

Picking Brian's Brain

ON PERSONAL STYLE
It is very important that when the room or the home is done it looks like the client and it doesn't look like Brian Killian. If you look through my portfolio, you probably would not find two rooms that look alike. You would not recognize that one designer had done it all. And that's the most important thing.

ON USING MICHIGAN DESIGN CENTER
To me, the most important thing about the Michigan Design Center is the fabrics and wallcoverings. It puts us on a national par with New York or Los Angeles. If I open *Architectural Digest* and find a fabric that I love, I don't have to fly to Paris to get it. I just have to go over to Stutz Drive and it's there. That's where the Michigan Design Center gives us an edge.



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ON LIFESTYLE
I really don't sell furniture. I sell life-style, hopes, dreams, a way that people are going to live and raise their children. I always hope that the things I choose for them today are going to be those cherished things that will reflect a particular period of time in their life.

ON BUDGET
A designer's role is to assist a client with budget issues, where to spend money, where not to. A client of mine will hear me say "you don't need to spend that much money" as often as they will hear me say "you do need to spend the money."

ON THE DESIGN PROCESS
A designer's art is the ability to coordinate all of the other art families together. . . I've got a chair, I've got fabric and wallpaper, I've got color and a painter, I've got an electrician. . . all those things are my palette. And when I put them together I'm practicing my art.



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Brian Killian
Interior Designer

Clinton to speak at Hart dinner

The Oakland County Democratic Party hosts its annual Phil Hart Dinner at Roma's of Bloomfield at 6:30 p.m. Sunday, March 10.

Keynote speaker is five-term Arkansas Gov. Bill Clinton. Clinton is past chairman of the National Governors' Association and Democratic Governors' Association. In 1989 he was instrumental in developing the National Educational Goals adopted by President Bush and the nation's governors.

In 1988 he led a major effort by the governors to develop a national welfare reform policy and approval of the Family Support Act of 1988, which changes the welfare system to require recipients to work toward independence through education, training and work.

The 1991 Tim Dinan Award recipient will be former Gov. James Blanchard.

Tickets are \$50 a person and can be purchased at the door. For further information, call 435-4044 or 334-0971.



Gov. Bill Clinton

Recycle and Save!

The Hometown and Observer and Eccentric "Creative Living" section has the largest selection of suburban display real estate ads in the metro area.

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