

HOUSE BILL No. 5970

June 25, 1992, Introduced by Reps. Keith, Gagliardi and DeMars and referred to the Committee on Corporations and Finance.

A bill to amend section 500 of Act No. 307 of the Public Acts of 1980, entitled "Savings and loan act of 1980," as amended by Act No. 106 of the Public Acts of 1987, being section 491.500 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 500 of Act No. 307 of the Public Acts of
2 1980, as amended by Act No. 106 of the Public Acts of 1987, being
3 section 491.500 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 500. An association organized under this act shall
6 have all of the powers enumerated, authorized, or permitted by
7 this act, and other rights, privileges, and powers as are
8 incidental to those powers or reasonably necessary or appropriate
9 to the accomplishment of the purposes of the association. In

1 addition to those powers specifically enumerated in this act, an
2 association may exercise the following powers:

3 (a) To sue and be sued, complain, and defend in any court.

4 (b) To acquire, purchase, hold, and convey real and personal
5 property consistent with the association's objects and purposes.

6 (c) To mortgage, pledge, or lease any real or personal prop-
7 erty for the association's own use.

8 (d) To take property by gift, devise, or bequest.

9 (e) To have a corporate seal, which may be affixed by
10 imprint, facsimile, or otherwise.

11 (f) To appoint officers, agents, and employees as the
12 association's business requires and allow them suitable
13 compensation.

14 (g) To provide for life, health, and casualty insurance for
15 officers and employees and adopt and operate reasonable bonus
16 plans and retirement benefits for those officers and employees.

17 (h) To become a member of, own stock or investment certifi-
18 cates in, deal with, pay premiums to, or make contributions to
19 any service corporation or safe deposit company.

20 (i) To service mortgages and land contracts.

21 (j) To originate and service mortgage loans, mortgages, and
22 land contracts on behalf of other financial institutions, corpo-
23 rations, and state or federal agencies or instrumentalities.

24 (k) To operate from temporary headquarters or offices if
25 necessary due to enemy attack or natural disaster.

26 (l) To act as fiscal agent of the United States or as a
27 treasury tax and loan depository and perform all reasonable

1 duties in those capacities as may be prescribed or required by
2 regulation of the secretary of the treasury of the United
3 States.

4 (m) To act as agent for an instrumentality of the United
5 States, for this state, or for an instrumentality of this state.

6 (n) To act as escrow agent or depository for other escrow
7 agents or fiduciaries for the holding of money as custodian or in
8 trust for others.

9 (o) To be a member of a federal home loan bank or its
10 successor.

11 (p) To become a member of a check clearing facility estab-
12 lished for the purpose of facilitating the handling of negotiable
13 checks, drafts, or withdrawal orders, and to satisfy any require-
14 ments for membership in a clearing facility.

15 (q) To invest in financial options to hedge an association's
16 interest risks.

17 (r) To perform 1 or more of the following services:

18 (i) Credit analysis, appraising, construction loan inspec-
19 tion, and abstracting.

20 (ii) Research studies and surveys.

21 (iii) Developing and operating storage facilities for micro-
22 film or other duplicate records.

23 (iv) Advertising, brokerage, and other services to
24 ~~procures~~ PROCURE and retain both savings accounts and loans,
25 but not pooling savings accounts or soliciting or promoting
26 pooled savings accounts.

1 (v) Liquidity management, investment, advisory, and
2 consulting services.

3 (vi) Establishing, owning, leasing, operating, or maintain-
4 ing remote service units.

5 (vii) Purchasing office supplies, furniture, and equipment.

6 (s) Provide 1 or more of the following services:

7 (i) Preparing local, state, and federal tax returns for
8 individuals or organizations that are not corporations operated
9 for profit.

10 (ii) Providing data processing service.

11 (iii) Other activities as the supervisor, by rule, deter-
12 mines to be appropriate.

13 (T) EXCEPT AS OTHERWISE PROVIDED IN THE INSURANCE CODE OF
14 1956, ACT NO. 218 OF THE PUBLIC ACTS OF 1956, BEING SECTIONS
15 500.100 TO 500.8302 OF THE MICHIGAN COMPILED LAWS, TO ENGAGE IN
16 ANY ASPECT OF THE INSURANCE AND SURETY BUSINESS AS PRINCIPAL,
17 UNDERWRITER, AGENT, BROKER, SOLICITOR, OR INSURANCE COUNSELOR.

18 (U) TO PURCHASE SHARES OF A CORPORATION ENGAGED, OR ORGA-
19 NIZED FOR THE PURPOSE OF ENGAGING, IN ANY ASPECT OF THE INSURANCE
20 AND SURETY BUSINESS AS A PRINCIPAL, UNDERWRITER, AGENT, BROKER,
21 SOLICITOR, OR INSURANCE COUNSELOR. HOWEVER, THE SAVINGS AND LOAN
22 ASSOCIATION SHALL AT ALL TIMES OWN AT LEAST 80% OF THE ISSUED AND
23 OUTSTANDING VOTING SHARES OF THE CORPORATION.

24 Section 2. This amendatory act shall not take effect unless
25 Senate Bill No. _____ or House Bill No. 5973 (request
26 no. 06128'92) of the 86th Legislature is enacted into law.