

SENATE BILL No. 695

January 28, 1992, Introduced by Senators BOUCHARD, KELLY, EHLERS, MC MANUS and EMMONS and referred to the Corporations and Economic Development.

A bill to amend Act No. 307 of the Public Acts of 1980, entitled
"Savings and loan act of 1980,"
as amended, being sections 491.102 to 491.1202 of the Michigan Compiled Laws, by adding section 702a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 307 of the Public Acts of 1980, as
2 amended, being sections 491.102 to 491.1202 of the Michigan
3 Compiled Laws, is amended by adding section 702a to read as
4 follows:

5 SEC. 702A. AN ASSOCIATION OR FEDERAL ASSOCIATION THAT
6 REQUIRES A MORTGAGOR TO MAINTAIN HAZARD INSURANCE AS A CONDITION
7 TO RECEIVING A MORTGAGE LOAN SHALL NOT REQUIRE THE AMOUNT OF THE
8 HAZARD INSURANCE TO BE GREATER THAN THE REPLACEMENT COST OF THE
9 MORTGAGED BUILDING OR BUILDINGS.