

SENATE BILL No. 696

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

A bill to amend Act No. 285 of the Public Acts of 1925, entitled as amended

"An act to provide for the organization, operation, and supervision of credit unions; to provide for the conversion of a state credit union into a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States and for the conversion of a federal credit union or a credit union organized and supervised under the laws of any other state or territory of the United States into a state credit union; and to provide for the merger of credit unions organized and supervised under the laws of this state, credit unions organized and supervised under the laws of any other state or territory of the United States, and federal credit unions,"

as amended, being sections 490.1 to 490.31 of the Michigan Compiled Laws, by adding section 16b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 285 of the Public Acts of 1925, as
2 amended, being sections 490.1 to 490.31 of the Michigan Compiled
3 Laws, is amended by adding section 16b to read as follows:

1 SEC. 16B. A CREDIT UNION THAT REQUIRES A MORTGAGOR TO
2 MAINTAIN HAZARD INSURANCE AS A CONDITION TO RECEIVING A MORTGAGE
3 LOAN SHALL NOT REQUIRE THE AMOUNT OF THE HAZARD INSURANCE TO BE
4 GREATER THAN THE REPLACEMENT COST OF THE MORTGAGED BUILDING OR
5 BUILDINGS.