



Olds Plaza Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

REVISE ANTI-REDLINING NOTICE

House Bill 5666
Sponsor: Rep. Alvin Kukuk
Committee: Commerce

Complete to 3-14-96

A SUMMARY OF HOUSE BILL 5666 AS INTRODUCED 3-7-96

Public Act 135 of 1977 prohibits financial institutions from engaging in "redlining," which involves denying or discouraging mortgages and other loans to prospective borrowers based on their race or ethnic background. Currently, the act requires a credit granting institution to post a written notice in a conspicuous place in its main office and branch offices notifying prospective borrowers of their rights under the act. Among other things, the notice must state that it is illegal to establish a minimum mortgage amount of more than \$5,000 or a minimum home improvement loan of more than \$500. The bill would raise these minimum amounts to \$10,000 and \$1,000, respectively. Also, the act requires the notice to include the Financial Institutions Bureau's current address and telephone number; under the bill, only the bureau's telephone number would need to be included.

MCL 445.1605

House Bill 5556 (3-14-96)

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.