

SUBSTITUTE FOR  
HOUSE BILL NO. 5381

A bill to amend 1925 PA 285, entitled

"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,"

(MCL 490.1 to 490.31) by adding section 10a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 10A. (1) IF A CREDIT UNION AS A MORTGAGEE REQUIRES  
2 PRIVATE MORTGAGE INSURANCE AS A CONDITION OF MAKING A MORTGAGE  
3 LOAN, THE CREDIT UNION SHALL PROVIDE THE MORTGAGOR INFORMATION AS  
4 REQUIRED UNDER THE MORTGAGE INSURANCE LIMITATION AND NOTIFICATION  
5 ACT.

**HB5381, As Passed House, May 21, 1998**

House Bill No. 5381

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1 (2) AS USED IN THIS SECTION:

2 (A) "MORTGAGE" MEANS AN EXTENSION OF CREDIT SECURED BY A  
3 FIRST LIEN ON A SINGLE FAMILY RESIDENCE IN THIS STATE WHICH IS,  
4 AT THE TIME OF THE EXTENSION OF CREDIT, INTENDED TO BE OWNER  
5 OCCUPIED.

6 (B) "MORTGAGE GUARANTY INSURANCE" MEANS INSURANCE TO PROTECT  
7 A MORTGAGEE AGAINST THE NONPAYMENT OF OR DEFAULT ON A MORTGAGE,  
8 THE PREMIUMS OF WHICH ARE PAID BY THE MORTGAGOR AND ON WHICH THE  
9 MORTGAGEE IS THE NAMED INSURED.

10 (C) "MORTGAGEE" MEANS A PERSON THAT MAKES A MORTGAGE.

11 (D) "MORTGAGOR" MEANS AN INDIVIDUAL WHO HAS GIVEN A MORTGAGE  
12 FOR WHICH THE MORTGAGEE HAS REQUIRED PRIVATE MORTGAGE INSURANCE.

13 (E) "PERSON" MEANS AN INDIVIDUAL, CORPORATION, PARTNERSHIP,  
14 ASSOCIATION, GOVERNMENTAL ENTITY, OR ANY OTHER LEGAL ENTITY.

15 (F) "PRIVATE MORTGAGE INSURANCE" OR "PMI" MEANS MORTGAGE  
16 GUARANTY INSURANCE OTHER THAN MORTGAGE INSURANCE MADE AVAILABLE  
17 UNDER THE NATIONAL HOUSING ACT, CHAPTER 847, 48 STAT. 1246, TITLE V  
18 38 OF THE UNITED STATES CODE, 38 U.S.C. 101 TO 8528, OR TITLE V  
19 OF CHAPTER 338, 63 STAT. 432, 42 U.S.C. 1471 TO 1474, 1475 TO  
20 1481, 1483 TO 1487, 1489 TO 1490f, 1490h, 1490j TO 1490o, AND  
21 1490p-1 TO 1490r.

22 Enacting section 1. This amendatory act does not take  
23 effect unless House Bill No. 5691 of the 89th Legislature is  
24 enacted into law.