

SUBSTITUTE FOR
HOUSE BILL NO. 5382

A bill to amend 1980 PA 307, entitled
"Savings and loan act of 1980,"
(MCL 491.102 to 491.1202) by adding section 702b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 702B. (1) IF AN ASSOCIATION AS A MORTGAGEE REQUIRES
2 PRIVATE MORTGAGE INSURANCE AS A CONDITION OF MAKING A MORTGAGE
3 LOAN, THE MORTGAGEE SHALL PROVIDE THE MORTGAGOR INFORMATION AS
4 REQUIRED UNDER THE MORTGAGE INSURANCE LIMITATION AND NOTIFICATION
5 ACT.

6 (2) AS USED IN THIS SECTION:

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

HB5382, As Passed House, May 27, 1998

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1 (B) "MORTGAGE GUARANTY INSURANCE" MEANS INSURANCE TO PROTECT
2 A MORTGAGEE AGAINST THE NONPAYMENT OF OR DEFAULT ON A MORTGAGE,
3 THE PREMIUMS OF WHICH ARE PAID BY THE MORTGAGOR AND ON WHICH THE
4 MORTGAGEE IS THE NAMED INSURED.

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

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

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

10 (F) "PRIVATE MORTGAGE INSURANCE" OR "PMI" MEANS MORTGAGE
11 GUARANTY INSURANCE OTHER THAN MORTGAGE INSURANCE MADE AVAILABLE
12 UNDER THE NATIONAL HOUSING ACT, CHAPTER 847, 48 STAT. 1246, TITLE
13 38 OF THE UNITED STATES CODE, 38 U.S.C. 101 TO 8528, OR TITLE V
14 OF CHAPTER 338, 63 STAT. 432, 42 U.S.C. 1471 TO 1474, 1475 TO
15 1481, 1483 TO 1487, 1489 TO 1490f, 1490h, 1490j TO 1490o, AND
16 1490p-1 TO 1490r.

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