

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 471 (as introduced 5-15-01)
Sponsor: Senator Burton Leland
Committee: Banking and Financial Institutions

Date Completed: 5-23-01

CONTENT

The bill would amend the Mortgage Brokers, Lenders, and Servicers Licensing Act to prohibit a residential mortgage originator from receiving certain compensation or benefits unless the originator was otherwise licensed or registered under the Act.

The bill would define "residential mortgage originator" as a person who assisted another person in obtaining a mortgage loan.

Under the bill, unless a residential mortgage originator was otherwise licensed or registered under the Act, a residential mortgage originator could not receive directly or indirectly any compensation, commission, fee, points, or other remuneration or benefits from a mortgage broker, mortgage lender, or mortgage servicer other than the employer of the residential mortgage originator.

The bill also provides that unless a residential mortgage originator was otherwise licensed or registered under the Act, a mortgage broker, mortgage lender, or mortgage servicer could not pay directly or indirectly any compensation, commission, fee, points, or other remuneration or benefits to a residential mortgage originator other than an employee of the mortgage broker, mortgage lender, or mortgage servicer.

MCL 445.1652

Legislative Analyst: N. Nagata

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.