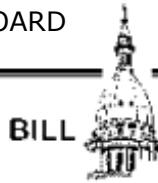




Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 6562 (as passed by the House)
Sponsor: Representative Brian Calley
House Committee: Banking and Financial Services
Senate Committee: Banking and Financial Institutions

Date Completed: 12-2-08

CONTENT

The bill would amend the Mortgage Brokers, Lenders, and Servicers Licensing Act to require the Mortgage Industry Advisory Board to review and make recommendations concerning courses and examinations, procedures to verify attendance at electronic courses, and confidentiality of personal identifying information for loan officers and applicants under the Secondary Mortgage Loan Act.

Currently, the Board must communicate to the Commissioner of Financial and Insurance Regulation issues of concern to the residential mortgage industry, and review and make recommendations concerning all of the following:

- Course sponsors or providers, course instructors, and the content of and materials for courses provided to loan officers and loan officer applicants under the Mortgage Brokers, Lenders, and Servicers Licensing Act.
- Content and procedures for examinations given to loan officers under the Act.
- Rules proposed under the Act.
- Procedures to verify attendance at and participation in courses conducted electronically under the Act.
- Any other issue referred to the Board by the Commissioner.

Under the bill, the Board also would have to review and make recommendations on the same matters for loan officers and applicants under the Secondary Mortgage Loan Act.

In addition, the Board currently must review and make recommendations concerning procedures for maintaining the confidentiality of personal identifying information and other information concerning licensees, registrants, and applicants for licensure or registration. The bill, instead, would require the Board to review and make recommendations concerning procedures for maintaining the confidentiality of personal identifying information and other information concerning all of the following:

- Licensees, registrants, and loan officer registrants.
- Applicants for licensure, registration, or loan officer registration.
- Licensees, registrants, and secondary mortgage loan officer registrants under the Secondary Mortgage Loan Act.
- Applicants for licensure, registration, or secondary mortgage loan officer registration under the Secondary Mortgage Loan Act.

The bill is tie-barred to Senate Bills 1552 through 1555. (Senate Bill 1552 would amend the Secondary Mortgage Loan Act to prohibit certain employees or agents of a licensee or registrant from performing services of a secondary mortgage loan officer unless they registered or otherwise complied with the requirements of the bill; revise the criminal penalty for making secondary mortgage loans without a license; and make other changes to the Act. Senate Bills 1553, 1554, and 1555 would amend the Mortgage Brokers, Lenders, and Servicers Licensing Act to require fees for licenses and registrations described in the Secondary Mortgage Loan Act to be credited to the MBLSA Fund, and require money in the Fund to be used to administer and enforce the Secondary Mortgage Loan Act; require a criminal history check for certain individuals; and extend provisions allowing a person to act as a mortgage broker, lender, or servicer without a license and prohibiting a mortgage originator from receiving any compensation, commission, or fee from certain mortgage brokers, lenders, or servicers.)

MCL 445.1683

Legislative Analyst: Craig Laurie

FISCAL IMPACT

The bill would have no fiscal impact on the Department of Labor and Economic Growth.

Fiscal Analyst: Elizabeth Pratt
Maria 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.