

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 6562

A bill to amend 1987 PA 173, entitled
"Mortgage brokers, lenders, and servicers licensing act,"
by amending section 33 (MCL 445.1683), as amended by 2008 PA 64.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 33. (1) The mortgage industry advisory board is created.
- 2 (2) All of the following apply to the board:
- 3 (a) The board shall consist of 7 individuals, appointed by the
- 4 commissioner as follows:
- 5 (i) Two individuals who are employees of, are directors of, or
- 6 have at least a 25% ownership interest in a licensee or registrant,
- 7 selected by the commissioner from a list of at least 3 nominees
- 8 provided to the commissioner by the Michigan mortgage brokers
- 9 association.
- 10 (ii) Two individuals who are employees of, are directors of, or

1 have at least a 25% ownership interest in a licensee or registrant,
2 selected by the commissioner from a list of at least 3 nominees
3 provided to the commissioner by the Michigan mortgage lenders
4 association.

5 (iii) One employee who is an employee of, a director of, or who
6 has at least a 25% ownership interest in a licensee or registrant
7 that is a member of any trade association operating in this state
8 that represents mortgage brokers, mortgage lenders, or mortgage
9 servicers. The trade associations may recommend candidates for this
10 position to the commissioner.

11 (iv) Two individuals who are employees of, are directors of, or
12 have at least a 25% ownership interest in business entities that
13 provide services to or purchase services from licensees or
14 registrants.

15 (b) The term of a board member is 4 years, except that for the
16 first board, the commissioner shall appoint 3 individuals for 2-
17 year terms so that the terms of office of board members are
18 staggered.

19 (c) An individual may not serve more than 2 consecutive 4-year
20 terms, and the commissioner may not reappoint an individual who
21 serves 2 consecutive 4-year terms on the board for at least 12
22 months after the end of those consecutive terms.

23 (d) The board shall not include more than 1 member who is
24 employed by, is a director of, or has more than a 1% ownership
25 interest in the same licensee, registrant, affiliate, or other
26 person.

27 (e) Each member of the board shall serve without compensation.

1 However, the office of financial and insurance services shall
2 reimburse a member of the board for his or her travel and other
3 expenses incurred in the performance of an official board function
4 pursuant to the standard travel regulations of the department of
5 management and budget.

6 (f) The board shall retain minutes of its meetings and any
7 other records of the board for at least 10 years. The board shall
8 make its minutes and any other records prepared, owned, used, in
9 the possession of, or retained by the board in the performance of
10 an official function available to the commissioner immediately on
11 request and make those minutes and records available to the public
12 in compliance with the freedom of information act, 1976 PA 442, MCL
13 15.231 to 15.246.

14 (3) The board shall communicate to the commissioner issues of
15 concern to the residential mortgage industry and shall review and
16 make recommendations to the commissioner concerning all of the
17 following:

18 (a) Course sponsors or providers, course instructors, and the
19 content of and materials for courses provided to loan officers and
20 loan officer applicants under section 2a or 2b **OR SECTION 2A OR 2C**
21 **OF THE SECONDARY MORTGAGE LOAN ACT, MCL 493.52A AND 493.52C.**

22 (b) Content and procedures for examinations given to loan
23 officers under section 2a **OR SECTION 2A OF THE SECONDARY MORTGAGE**
24 **LOAN ACT, MCL 493.52A.**

25 (c) Rules proposed under this act **OR THE SECONDARY MORTGAGE**
26 **LOAN ACT.**

27 (d) Procedures to verify attendance at and participation in

courses conducted electronically under section 2b(3)(e) OR UNDER
SECTION 2C(3)(E) OF THE SECONDARY MORTGAGE LOAN ACT, MCL 493.52C.

(e) Procedures for maintaining the confidentiality of personal
identifying information and other information concerning licensees,
~~registrants, and applicants for license or registration.~~ ALL OF THE
FOLLOWING:

(i) LICENSEES, REGISTRANTS, AND LOAN OFFICER REGISTRANTS.

(ii) APPLICANTS FOR LICENSURE, REGISTRATION, OR LOAN OFFICER
REGISTRATION.

(iii) LICENSEES, REGISTRANTS, AND SECONDARY MORTGAGE LOAN
OFFICER REGISTRANTS UNDER THE SECONDARY MORTGAGE LOAN ACT.

(iv) APPLICANTS FOR LICENSURE, REGISTRATION, OR SECONDARY
MORTGAGE LOAN OFFICER REGISTRATION UNDER THE SECONDARY MORTGAGE
LOAN ACT.

(f) Any other issue referred to the board by the commissioner.

(4) AS USED IN THIS SECTION, "SECONDARY MORTGAGE LOAN ACT"
MEANS THE SECONDARY MORTGAGE LOAN ACT, 1981 PA 125, MCL 493.51 TO
493.81.

Enacting section 1. This amendatory act does not take effect
unless all of the following bills of the 94th Legislature are
enacted into law:

(a) Senate Bill No. 1552.

(b) Senate Bill No. 1553.

(c) Senate Bill No. 1554.

(d) Senate Bill No. 1555.