

SENATE BILL No. 1553

November 5, 2008, Introduced by Senators SANBORN, RICHARDVILLE, BARCIA, BROWN, BIRKHOLZ, PAPPAGEORGE, GARCIA and BASHAM and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1987 PA 173, entitled
"Mortgage brokers, lenders, and servicers licensing act,"
by amending section 8 (MCL 445.1658), as amended by 2008 PA 72.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) At the time of making an initial application for a
2 license under this act, and at the time of making the first
3 application for a license after the suspension or revocation of a
4 license, an applicant for licensure under this act shall pay to the
5 commissioner a fee for investigating the applicant and the minimum
6 annual operating fee established by the commissioner in subsection
7 (3). To renew a license that is not suspended or revoked, the
8 applicant shall only pay to the commissioner the annual operating
9 fee established in subsection (3). At the time of filing a
10 registration or a renewal of a registration, a registrant shall pay

1 to the commissioner an annual operating fee established in
2 subsection (3).

3 (2) If an initial or renewed license or registration described
4 in subsection (1) will have an effective date within 6 months of
5 the expiration date described in section 7, the initial or renewal
6 annual operating fee for that license or registration is 1/2 of the
7 annual operating fee.

8 (3) The commissioner shall annually establish a schedule of
9 fees that are sufficient to pay, but not to exceed, the office of
10 financial and insurance regulation's reasonably anticipated costs
11 of administering and enforcing this act. Subject to subsection (2),
12 the fees are as follows:

13 (a) For the investigation of an applicant for a license, a fee
14 of not less than \$400.00 or more than \$1,000.00.

15 (b) Except as set forth in subdivision (c), a licensee or
16 registrant annually shall pay an operating fee based upon the
17 number of closed mortgage loans the licensee or registrant brokered
18 to other parties, the number of mortgage loans closed by the
19 licensee or registrant during the previous calendar year, and the
20 dollar volume of loans serviced by the licensee or registrant as of
21 December 31 of the previous calendar year. In the 1-year period
22 beginning July 2, 1996, the operating fee shall be not less than
23 \$250.00 and not more than \$2,500.00. Beginning July 2, 1997, in the
24 discretion of the commissioner, subject to the limitation set forth
25 in this subsection, the commissioner may increase the maximum
26 operating fee at an annual rate of not more than 10% in the second,
27 third, and fourth 1-year periods after the 1-year period beginning

1 July 2, 1996, and in the fifth and subsequent years, at an annual
2 rate of not more than the annual increase for the immediately
3 preceding 12-month period in the Detroit consumer price index as
4 reported by the United States department of labor. For purposes of
5 this subdivision, "mortgage loan" includes only mortgage loans
6 subject to this act.

7 (c) For amending or reissuing a license, registration, or loan
8 officer registration, a fee of not less than \$15.00 or more than
9 \$200.00.

10 (d) A licensee or registrant shall pay the actual travel,
11 lodging, and meal expenses incurred by employees of the office of
12 financial and insurance regulation who travel out of state to
13 examine the records of the licensee or investigate the licensee or
14 registrant and the cost of independent investigators employed under
15 section 20(1)(e).

16 (e) ~~A-AN ANNUAL FEE FOR EACH~~ loan officer registrant ~~shall pay~~
17 ~~an annual fee- IN AN AMOUNT~~ established by the commissioner. For
18 purposes of this subdivision, the commissioner shall establish an
19 amount for the annual fee that is sufficient to defray the
20 estimated cost of administering and enforcing the loan officer
21 registration provisions of this act.

22 (4) Fees received under this act are not refundable.

23 (5) If any fees or penalties provided for in this act are not
24 paid when required, the attorney general may maintain an action
25 against the delinquent licensee or registrant for the recovery of
26 the fees or penalties together with interest and costs.

27 (6) A licensee or registrant who fails to submit to the

1 commissioner a report required under section 7 or section 21 is
2 subject to a penalty of \$25.00 for each day the report is
3 delinquent or \$1,000.00, whichever is less.

4 (7) A licensee or registrant whose license or registration
5 renewal fee is not received on or before December 31 is subject to
6 a penalty of \$25.00 for each day the fee is delinquent or
7 \$1,000.00, whichever is less.

8 (8) The department of treasury shall establish and administer
9 a restricted account in the general fund named the MBLSLA fund. The
10 department of treasury shall credit to the account all fees
11 collected under this act or under the commissioner's authority
12 under this act, **FEES DESCRIBED IN SECTION 6A OF THE SECONDARY**
13 **MORTGAGE LOAN ACT, 1981 PA 125, MCL 493.56A,** and money appropriated
14 or received from any source. The department of treasury shall use
15 the money in the account only to provide money to the commissioner
16 ~~to~~ to administer and enforce this act **AND THE SECONDARY MORTGAGE**
17 **LOAN ACT, 1981 PA 125, MCL 493.51 TO 493.81, and TO PAY** other costs
18 associated with the commissioner's regulatory obligations. Money in
19 the account at the end of a state fiscal year shall not revert to
20 the general fund but shall be carried over in the account to the
21 next state fiscal year.

22 (9) The annual operating fee set by the commissioner under
23 subsection (3)(b) shall be based upon information in reports filed
24 under section 21.

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

1 (a) Senate Bill No.____ or House Bill No.____ (request no.
2 06815'08).

3 (b) Senate Bill No.____ or House Bill No.____ (request no.
4 08019'08).

5 (c) Senate Bill No.____ or House Bill No.____ (request no.
6 08020'08 *).

7 (d) Senate Bill No.____ or House Bill No.____ (request no.
8 08164'08).