

Act No. 78
Public Acts of 2009
Approved by the Governor
July 28, 2009
Filed with the Secretary of State
July 29, 2009
EFFECTIVE DATE: July 31, 2010

**STATE OF MICHIGAN
95TH LEGISLATURE
REGULAR SESSION OF 2009**

**Introduced by Senators Sanborn, Richardville, Stamas, Olshove, Cherry, Anderson, Hardiman, Pappageorge,
Patterson and Kahn**

ENROLLED SENATE BILL No. 465

AN ACT to amend 1988 PA 161, entitled "An act to regulate the providing of certain consumer financial services; to provide for licensing of certain financial institutions; to prescribe powers and duties of certain state departments and agencies; to prohibit certain activities; and to provide for remedies and penalties," by amending section 9 (MCL 487.2059), as amended by 2009 PA 12.

The People of the State of Michigan enact:

Sec. 9. (1) Except as otherwise provided in subsection (2), a licensee under this act shall comply with all of the requirements of the financial licensing acts.

(2) A licensee under this act is exempt from provisions of the financial licensing acts regulating any of the following:

- (a) Application procedures.
- (b) Licensing procedures.
- (c) Payment of fees by the licensee.
- (d) Filing of surety bonds.
- (e) Denial, suspension, or revocation of a license.
- (f) Retention of records.
- (g) Filing of reports.

(3) A licensee may purchase a contract made in compliance with the retail installment sales act, 1966 PA 224, MCL 445.851 to 445.873, or the home improvement finance act, 1965 PA 332, MCL 445.1101 to 445.1431.

(4) A licensee may have 1 or more loans outstanding to 1 borrower, but no single loan transaction shall violate the financial licensing act which regulates the type of loan transaction.

(5) A licensee acting as a mortgage broker or mortgage lender shall not employ or engage an individual as a loan officer to originate mortgage loans unless he or she is a licensed loan officer. As used in this subsection, "licensed loan officer", "loan officer", "originate", "mortgage broker", and "mortgage lender" mean those terms as defined in section 1a of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651a.

(6) A licensee acting as a broker or lender shall not employ or engage an individual as a secondary mortgage loan officer to originate secondary mortgage loans unless he or she is a licensed secondary mortgage loan officer. As used in this subsection, "broker", "lender", "licensed secondary mortgage loan officer", "originate", and "secondary mortgage loan officer" mean those terms as defined in section 1 of the secondary mortgage loan act, 1981 PA 125, MCL 493.51.

(7) As used in this section, “employ” means an engagement of an individual by a licensee that meets both of the following:

- (a) Is acknowledged by the licensee and individual as an employment relationship.
- (b) The licensee treats the individual as an employee for compliance with federal income tax laws.

Enacting section 1. This amendatory act takes effect July 31, 2010.

Enacting section 2. This amendatory act does not take effect unless Senate Bill No. 462 of the 95th Legislature is enacted into law.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Richard J. Brown

Clerk of the House of Representatives

Approved

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Governor

Compiler's note: Senate Bill No. 462, referred to in enacting section 2, was filed with the Secretary of State July 29, 2009, and became 2009 PA 75, Eff. July 31, 2009.