

SENATE BILL No. 379

March 12, 2009, Introduced by Senators OLSHOVE, VAN WOERKOM, RICHARDVILLE and HARDIMAN and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1988 PA 161, entitled
"Consumer financial services act,"
by amending section 9 (MCL 487.2059), as amended by 1999 PA 275.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

4 (2) A licensee under this act ~~shall be~~ **IS** exempt from
5 provisions of the financial licensing acts regulating **ANY OF** the
6 following:

7 (a) Application procedures.

8 (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 LOAN OFFICER REGISTRANT UNDER THE MORTGAGE BROKERS, LENDERS, AND SERVICERS LICENSING ACT, 1987 PA 173, MCL 445.1651 TO 445.1684. AS USED IN THIS SUBSECTION, "LOAN OFFICER", "LOAN OFFICER REGISTRANT", "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 SECONDARY MORTGAGE LOAN OFFICER REGISTRANT UNDER THE SECONDARY MORTGAGE LOAN ACT, 1981 PA 125, MCL 493.51 TO 493.81. AS USED IN THIS SUBSECTION,

1 "BROKER", "LENDER", "ORIGINATE", "SECONDARY MORTGAGE LOAN OFFICER",
2 AND "SECONDARY MORTGAGE LOAN OFFICER REGISTRANT" MEAN THOSE TERMS
3 AS DEFINED IN SECTION 1 OF THE SECONDARY MORTGAGE LOAN ACT, 1981 PA
4 125, MCL 493.51.

5 Enacting section 1. This amendatory act does not take effect
6 unless all of the following bills of the 95th Legislature are
7 enacted into law:

8 (a) Senate Bill No. 380.

9

10 (b) Senate Bill No. 381.

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