

# HOUSE BILL No. 4588

March 17, 2009, Introduced by Reps. Leland, Simpson, Slavens, Liss and Barnett and referred to the Committee on Banking and Financial Services.

A bill to amend 2002 PA 660, entitled  
"Consumer mortgage protection act,"  
by amending sections 14 and 15 (MCL 445.1644 and 445.1645).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 14. (1) The federal government and state solely regulate  
2 the business of brokering, making, servicing, and collecting  
3 ~~mortgage~~**HOME** loans in this state and the manner in which ~~any such~~  
4 **THAT** business is conducted.

5           (2) Any charter, ordinance, resolution, regulation, rule, or  
6 other action by a municipal corporation or other political  
7 subdivision of this state to regulate, directly or indirectly, the  
8 brokering, making, servicing, or collecting of ~~mortgage~~**HOME** loans  
9 constitutes a statutory conflict with the uniform operation  
10 throughout the state of residential mortgage lending and is

1 preempted.

2 (3) Any charter, ordinance, resolution, regulation, rule, or  
3 other action by a municipal corporation or other political  
4 subdivision of this state to collect information about, require  
5 reporting of, pledges regarding, notices, or certifications  
6 concerning **HOME** loans, ~~lenders~~**CREDITORS**, applicants, deposits, or  
7 credit experiences, character, and criminal background checks of  
8 employees, agents, customers, or other persons is preempted by this  
9 act.

10 (4) Any charter, ordinance, resolution, regulation, rule, or  
11 other action by a municipal corporation or other political  
12 subdivision of this state that attempts to regulate the brokering,  
13 making, servicing, or collecting of ~~mortgage~~**HOME** loans constitutes  
14 a statutory conflict and is preempted, including, without  
15 limitation, if the ordinance, resolution, regulation, or other  
16 action does either of the following:

17 (a) Disqualifies a person, or its subsidiaries or affiliates,  
18 from doing business with the municipal corporation or other  
19 political subdivision based upon the acts or practices of the  
20 person or its subsidiaries or affiliates in brokering, making,  
21 servicing, or collecting ~~mortgage~~**HOME** loans.

22 (b) Imposes reporting requirements or other obligations upon a  
23 person, or its subsidiaries or affiliates, based upon the person's,  
24 or its subsidiaries' or affiliates', acts or practices in  
25 brokering, making, servicing, or collecting ~~mortgage~~**HOME** loans.

26 ~~——(5) If any provision of this section, or any application of~~  
27 ~~any provision of this section, is for any reason held to be illegal~~

1 ~~or invalid, the illegality or invalidity shall not affect any legal~~  
2 ~~and valid provision or application of this section, and the~~  
3 ~~provisions and applications of this section shall be severable.~~

4       Sec. 15. (1) The laws of this state relating to the brokering,  
5 making, servicing, and collecting of ~~mortgage~~**HOME** loans prescribe  
6 rules of conduct upon citizens generally, comprise a comprehensive  
7 regulatory framework intended to operate uniformly throughout the  
8 state under the same circumstances and conditions, and constitute  
9 general laws of this state.

10       (2) Silence in the statutes of this state with respect to any  
11 act or practice in the brokering, making, servicing, or collecting  
12 of ~~mortgage~~**HOME** loans shall not be interpreted to mean that the  
13 state has not completely occupied the field or has only set minimum  
14 standards in its regulation of brokering, making, servicing, or  
15 collecting of ~~mortgage~~**HOME** loans.

16       (3) It is the intent of the legislature to entirely preempt  
17 municipal corporations and other political subdivisions from the  
18 regulation and licensing of persons engaged in the brokering,  
19 making, servicing, or collecting of ~~mortgage~~**HOME** loans in this  
20 state.

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

24       (a) Senate Bill No. \_\_\_\_ or House Bill No. 4592 (request no.  
25 01098'09).

26       (b) Senate Bill No. \_\_\_\_ or House Bill No. 4587 (request no.  
27 01099'09).

1 (c) Senate Bill No.\_\_\_\_ or House Bill No. 4585(request no.  
2 01100'09).

3 (d) Senate Bill No.\_\_\_\_ or House Bill No. 4586(request no.  
4 01101'09).

5 (e) Senate Bill No.\_\_\_\_ or House Bill No. 4593(request no.  
6 01103'09).

7 (f) Senate Bill No.\_\_\_\_ or House Bill No. 4590(request no.  
8 01104'09).

9 (g) Senate Bill No.\_\_\_\_ or House Bill No. 4589(request no.  
10 01105'09).

11 (h) Senate Bill No.\_\_\_\_ or House Bill No. 4591(request no.  
12 01106'09).