



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 1172 (Substitute S-1 as reported)  
Sponsor: Senator Darwin L. Booher  
Committee: Banking and Financial Institutions

### **CONTENT**

The bill would amend Chapter 32 (Foreclosure of Mortgage by Advertisement) of the Revised Judicature Act to delay the sunset on the residential mortgage loan modification program for six months, until June 30, 2013.

Specifically, Sections 3205a to 3205d provide for the mortgage modification program, and are scheduled to be repealed on December 31, 2012. The bill would change that date to June 30, 2013.

Also, Section 3204 prohibits a party from beginning foreclosure proceedings under Chapter 32 if a required notice under the modification program has not been mailed to the borrower, if applicable time limits have not expired, or if the parties have agreed to modify the mortgage loan and the borrower is not in default. This provision applies only to proceedings in which the first notice of foreclosure has been published before December 31, 2012. The bill would change that date to June 30, 2013.

MCL 600.3204 & 600.3205e

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 9-27-12

Fiscal Analyst: Josh Sefton