

SUBSTITUTE FOR
HOUSE BILL NO. 4766

(As amended June 13, 2013)

A bill to amend 1961 PA 236, entitled
"Revised judicature act of 1961,"
(MCL 600.101 to 600.9947) by adding section 3206.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3206. (1) THIS SECTION APPLIES TO THE LOSS MITIGATION
2 PROCEDURES THAT OCCUR BEFORE THE FORECLOSURE OF A MORTGAGE UNDER
3 THIS CHAPTER, IF ALL OF THE FOLLOWING APPLY:

4 (A) THE MORTGAGED PROPERTY IS CLAIMED AS A PRINCIPAL RESIDENCE
5 EXEMPT FROM TAX UNDER SECTION 7CC OF THE GENERAL PROPERTY TAX ACT,
6 1893 PA 206, MCL 211.7CC.

7 (B) THE FIRST NOTICE UNDER SECTION 3208 IS PUBLISHED AFTER
8 JANUARY 9, 2014.

9 (C) THE [SERVICING AGENT OF] THE MORTGAGE IS A DEFENDANT THAT
10 ENTERED INTO A CONSENT JUDGMENT IN UNITED STATES OF AMERICA, ET AL.

House Bill No. 4766 (H-2) as amended June 13, 2013

1 V BANK OF AMERICA CORP., ET AL., CIVIL ACTION NO. 12-0361 IN THE
2 UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA OR A
3 SUCCESSOR IN INTEREST TO SUCH A DEFENDANT. [A PERSON IS NOT A SUCCESSOR
IN INTEREST UNDER THIS SUBDIVISION SOLELY BECAUSE OF A TRANSFER OF
MORTGAGE SERVICING RIGHTS AND OBLIGATIONS TO THE PERSON.]

4 (2) AS PART OF THE LOSS MITIGATION PROCEDURES TO WHICH THIS
5 SECTION APPLIES, THE PERSON FORECLOSING THE MORTGAGE SHALL DO ALL
6 OF THE FOLLOWING:

7 (A) DESIGNATE AN INDIVIDUAL WHO IS AN EMPLOYEE OR AGENT OF THE
8 PERSON OR OF ANOTHER ENTITY THAT IS AN AGENT OF THE PERSON OR
9 DESIGNATE A SPECIFIC DEPARTMENT OR UNIT OF THE PERSON OR OF AN
10 ENTITY THAT IS AN AGENT OF THE PERSON TO SERVE AS A CONTACT UNDER
11 THIS SECTION.

12 (B) AUTHORIZE THE INDIVIDUAL DESIGNATED UNDER SUBDIVISION (A)
13 OR, IF THE DESIGNEE IS A DEPARTMENT OR UNIT, A REPRESENTATIVE OF
14 THE DEPARTMENT OR UNIT TO FACILITATE NEGOTIATIONS AND ATTEND
15 MEETINGS WITH THE MORTGAGOR.

16 (C) INCLUDE IN THE WRITTEN NOTICE THE PERSON SENDS TO THE
17 MORTGAGOR UNDER 12 CFR 1024.39(B), OR ENCLOSE WITH THE NOTICE A
18 SEPARATE WRITTEN NOTICE THAT CONTAINS, ALL OF THE FOLLOWING
19 INFORMATION:

20 (i) THE NAME AND ADDRESS AND A DEDICATED TELEPHONE NUMBER AND
21 DEDICATED ELECTRONIC MAIL ADDRESS OF THE INDIVIDUAL, DEPARTMENT, OR
22 UNIT DESIGNATED UNDER SUBDIVISION (A).

23 (ii) A STATEMENT THAT THE MORTGAGOR MAY, WITHIN 30 DAYS, EITHER
24 BY CONTACTING THE INDIVIDUAL, DEPARTMENT, OR UNIT DESIGNATED UNDER
25 SUBDIVISION (A) DIRECTLY OR BY CONTACTING A HOMEOWNERSHIP COUNSELOR
26 OR COUNSELING ORGANIZATION FROM A LIST REFERRED TO IN THE WRITTEN
27 NOTICE UNDER 12 CFR 1024.39(B), REQUEST A MEETING WITH THE

1 INDIVIDUAL, DEPARTMENT, OR UNIT DESIGNATED UNDER SUBDIVISION (A) TO
2 ATTEMPT TO WORK OUT A MODIFICATION OF THE MORTGAGE LOAN TO AVOID
3 FORECLOSURE.

4 (D) IF THE MORTGAGOR REQUESTS A MEETING UNDER SUBDIVISION (C),
5 NOT COMMENCE FORECLOSURE PROCEEDINGS UNDER THIS CHAPTER UNLESS THE
6 MEETING HAS BEEN HELD. THIS SUBDIVISION DOES NOT APPLY IF THE
7 MORTGAGOR HAS NOT COOPERATED BY SCHEDULING A MEETING AT A TIME AND
8 PLACE THAT IS CONVENIENT TO ALL PARTIES, OR IN THE COUNTY WHERE THE
9 PROPERTY IS SITUATED, OR HAS NOT ATTENDED A SCHEDULED MEETING.

10 Enacting section 1. This amendatory act does not take effect
11 unless all of the following bills of the 97th Legislature are
12 enacted into law:

13 (a) Senate Bill No. 380.

14 (b) House Bill No. 4765.

15 (c) Senate Bill No. 383.