

**SUBSTITUTE FOR
SENATE BILL NO. 1553**

A bill to amend 1987 PA 173, entitled
"Mortgage brokers, lenders, and servicers licensing act,"
by amending section 8 (MCL 445.1658), as amended by 2008 PA 72.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) At the time of making an initial application for a
2 license under this act, and at the time of making the first
3 application for a license after the suspension or revocation of a
4 license, an applicant for licensure under this act shall pay to the
5 commissioner a fee for investigating the applicant and the minimum
6 annual operating fee established by the commissioner in subsection
7 (3). To renew a license that is not suspended or revoked, the
8 applicant shall only pay to the commissioner the annual operating
9 fee established in subsection (3). At the time of filing a
10 registration or a renewal of a registration, a registrant shall pay
11 to the commissioner an annual operating fee established in

1 subsection (3).

2 (2) If an initial or renewed license or registration described
3 in subsection (1) will have an effective date within 6 months of
4 the expiration date described in section 7, the initial or renewal
5 annual operating fee for that license or registration is 1/2 of the
6 annual operating fee.

7 (3) The commissioner shall annually establish a schedule of
8 fees that are sufficient to pay, but not to exceed, the office of
9 financial and insurance regulation's reasonably anticipated costs
10 of administering and enforcing this act. Subject to subsection (2),
11 the fees are as follows:

12 (a) For the investigation of an applicant for a license, a fee
13 of not less than \$400.00 or more than \$1,000.00.

14 (b) Except as set forth in subdivision (c), a licensee or
15 registrant annually shall pay an operating fee based upon the
16 number of closed mortgage loans the licensee or registrant brokered
17 to other parties, the number of mortgage loans closed by the
18 licensee or registrant during the previous calendar year, and the
19 dollar volume of loans serviced by the licensee or registrant as of
20 December 31 of the previous calendar year. In the 1-year period
21 beginning July 2, 1996, the operating fee shall be not less than
22 \$250.00 and not more than \$2,500.00. Beginning July 2, 1997, in the
23 discretion of the commissioner, subject to the limitation set forth
24 in this subsection, the commissioner may increase the maximum
25 operating fee at an annual rate of not more than 10% in the second,
26 third, and fourth 1-year periods after the 1-year period beginning
27 July 2, 1996, and in the fifth and subsequent years, at an annual

1 rate of not more than the annual increase for the immediately
2 preceding 12-month period in the Detroit consumer price index as
3 reported by the United States department of labor. For purposes of
4 this subdivision, "mortgage loan" includes only mortgage loans
5 subject to this act.

6 (c) For amending or reissuing a license, registration, or loan
7 officer registration, a fee of not less than \$15.00 or more than
8 \$200.00.

9 (d) A licensee or registrant shall pay the actual travel,
10 lodging, and meal expenses incurred by employees of the office of
11 financial and insurance regulation who travel out of state to
12 examine the records of the licensee or investigate the licensee or
13 registrant and the cost of independent investigators employed under
14 section 20(1)(e).

15 (e) ~~A-AN ANNUAL FEE FOR EACH~~ loan officer registrant ~~shall pay~~
16 ~~an annual fee- IN AN AMOUNT~~ established by the commissioner. For
17 purposes of this subdivision, the commissioner shall establish an
18 amount for the annual fee that is sufficient to defray the
19 estimated cost of administering and enforcing the loan officer
20 registration provisions of this act.

21 (4) Fees received under this act are not refundable.

22 (5) If any fees or penalties provided for in this act are not
23 paid when required, the attorney general may maintain an action
24 against the delinquent licensee or registrant for the recovery of
25 the fees or penalties together with interest and costs.

26 (6) A licensee or registrant who fails to submit to the
27 commissioner a report required under section 7 or section 21 is

1 subject to a penalty of \$25.00 for each day the report is
2 delinquent or \$1,000.00, whichever is less.

3 (7) A licensee or registrant whose license or registration
4 renewal fee is not received on or before December 31 is subject to
5 a penalty of \$25.00 for each day the fee is delinquent or
6 \$1,000.00, whichever is less.

7 (8) The department of treasury shall establish and administer
8 a restricted account in the general fund named the MBLSLA fund. The
9 department of treasury shall credit to the account all fees
10 collected under this act or under the commissioner's authority
11 under this act, **FEES DESCRIBED IN SECTION 6A OF THE SECONDARY**
12 **MORTGAGE LOAN ACT, 1981 PA 125, MCL 493.56A,** and money appropriated
13 or received from any source. The department of treasury shall use
14 the money in the account only to provide money to the commissioner
15 ~~to~~ to administer and enforce this act **AND THE SECONDARY MORTGAGE**
16 **LOAN ACT, 1981 PA 125, MCL 493.51 TO 493.81, and TO PAY** other costs
17 associated with the commissioner's regulatory obligations. Money in
18 the account at the end of a state fiscal year shall not revert to
19 the general fund but shall be carried over in the account to the
20 next state fiscal year.

21 (9) The annual operating fee set by the commissioner under
22 subsection (3)(b) shall be based upon information in reports filed
23 under section 21.

24 Enacting section 1. This amendatory act does not take effect
25 unless all of the following bills of the 94th Legislature are
26 enacted into law:

27 (a) Senate Bill No. 1552.

- 1 (b) Senate Bill No. 1554.
- 2 (c) Senate Bill No. 1555.
- 3 (d) House Bill No. 6562.