

SENATE BILL No. 430

June 6, 2017, Introduced by Senators GREGORY, JOHNSON, BIEDA and ROBERTSON
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 2 (MCL 487.2052), as amended by 2006 PA 252.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Applicant" means a person that has applied to the
3 ~~commissioner to be licensed~~ **DIRECTOR FOR A LICENSE** under this act.

4 (b) "Bureau" **OR "DEPARTMENT"** means the ~~office of financial and~~
5 ~~insurance services of the department of labor and economic~~
6 ~~growth~~ **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES.**

7 (c) "Business activity" means any activity regulated by ~~UNDER~~
8 any of the financial licensing acts.

1 (d) "Class I license" means a license issued under this act
2 that authorizes the licensee to engage in all of the activities
3 permitted under any of the financial licensing acts.

4 (e) "Class II license" means a license issued under this act
5 that authorizes all of the activities permitted under a class I
6 license except for ~~activities permitted under the sale of checks~~
7 ~~act, 1960 PA 136, MCL 487.901 to 487.916,~~ loan servicing activities
8 under the secondary mortgage loan act, 1981 PA 125, MCL 493.51 to
9 493.81, or **ACTIVITIES PERMITTED UNDER THE MONEY TRANSMISSION**
10 **SERVICES ACT, 2006 PA 250, MCL 487.1001 TO 487.1047, OR** the
11 mortgage brokers, lenders, and servicers licensing act, 1987 PA
12 173, MCL 445.1651 to 445.1684.

13 (f) "Commissioner" **OR "DIRECTOR"** means the ~~commissioner of the~~
14 ~~office of financial and insurance services or an~~ **DIRECTOR OF THE**
15 **DEPARTMENT OR HIS OR HER** authorized representative. ~~of the~~
16 ~~commissioner.~~

17 (g) "Control person" means a director or executive officer of
18 a licensee or a person ~~who~~ **THAT** has the authority to participate in
19 the direction, directly or indirectly through 1 or more other
20 persons, of the management or policies of a licensee.

21 (h) "Depository financial institution" means a bank, savings
22 and loan association, savings bank, or credit union organized under
23 the laws of this state, another state, the District of Columbia,
24 the United States, or a territory or protectorate of the United
25 States, whose deposits are insured by an agency of the federal
26 government.

27 (i) "Executive officer" means an officer, member, or partner

1 of a licensee, including chief executive officer, president, vice
2 president, chief financial officer, controller, compliance officer,
3 or any other similar position.

4 (j) "Financial licensing acts" means this act; the regulatory
5 loan act, 1939 PA 21, MCL 493.1 to 493.24; **THE SMALL LOAN**
6 **REGULATORY ACT**; the secondary mortgage loan act, 1981 PA 125, MCL
7 493.51 to 493.81; the motor vehicle sales finance act, 1950 (Ex
8 Sess) PA 27, MCL 492.101 to 492.141; 1984 PA 379, MCL 493.101 to
9 493.114; ~~the sale of checks act, 1960 PA 136, MCL 487.901 to~~
10 ~~487.916~~; the money transmission services act, **2006 PA 250**, MCL
11 487.1001 to ~~487.1048~~, **487.1047**; and the mortgage brokers, lenders,
12 and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684.

13 (k) "Licensee" means a person that is licensed under this act.

14 (l) "Loan servicing activities" means the collection or
15 remittance for a lender, noteowner, noteholder, or the licensee's
16 own account of 4 or more installment payments of the principal,
17 interest, or an amount placed in escrow under a mortgage servicing
18 agreement or a mortgage loan subject to the mortgage brokers,
19 lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to
20 445.1684, or a mortgage servicing agreement or secondary mortgage
21 loan subject to the secondary mortgage loan act, 1981 PA 125, MCL
22 493.51 to 493.81, or an agreement with the mortgagor.

23 (m) "Person" means an individual, corporation, partnership,
24 association, limited liability company, or any other legal entity.

25 Enacting section 1. This amendatory act takes effect 90 days
26 after the date it is enacted into law.

27 Enacting section 2. This amendatory act does not take effect

1 unless Senate Bill No. 431

2 of the 99th Legislature is enacted into law.