

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1160

A bill to create a fund to receive money from mortgage loan servicing companies paid pursuant to certain consent judgments in actions for mortgage loan servicing and foreclosure abuses; to provide for the expenditure of revenue in the fund consistent with the consent judgments; and to provide for the powers and duties of certain state governmental officers and entities.

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

1           Sec. 1. This act shall be known and may be cited as the  
2 "homeowner protection fund act".

3           Sec. 2. (1) The homeowner protection fund is created in the  
4 state treasury. The state treasurer shall be the administrator of  
5 the fund. Except for auditing purposes, the state treasurer shall  
6 administer the fund in consultation with the department of the

1 attorney general. The state treasurer may receive money or other  
2 assets from any source for deposit into the fund. The state  
3 treasurer shall receive for deposit into the fund money allocated  
4 to this state from the April 4, 2012 consent judgments affecting  
5 the 5 largest defendant mortgage loan servicers in United States v  
6 Bank of America Corp, No. 12-0361-RMC (United States District Court  
7 for the District of Columbia). The state treasurer shall direct the  
8 investment of the fund. The state treasurer shall credit to the  
9 fund interest and earnings from fund investments. Money in the fund  
10 at the close of the fiscal year shall remain in the fund and shall  
11 not lapse to the general fund.

12 (2) Money in the fund shall be expended, upon appropriation,  
13 in a manner and for purposes consistent with the consent judgments  
14 referred to in subsection (1).