

SURPLUS FUNDS IN TREASURY (EXCERPT)
Act 105 of 1855

21.146 Illegal discriminatory lending practice; determination regarding deposit of additional surplus funds; considerations; commencement date and duration of prohibition; determination subject to MCL 24.201 et seq.

Sec. 6.

(1) If a financial institution is found by a state or federal agency having jurisdiction over that financial institution, or a court having jurisdiction over that financial institution, to have engaged in an illegal discriminatory lending practice relating to a mortgage loan or home improvement loan application, the commissioner, if the commissioner considers it appropriate, shall within 30 days after receipt of written notice that the finding has become final, initiate a proceeding under this act. The purpose of the proceeding shall be to determine whether additional surplus funds belonging to the state shall be deposited in that financial institution. In making the determination, the commissioner shall consider the nature of the violation, the action taken by the financial institution to insure that the violation shall not be repeated, and the record of the financial institution in complying with laws prohibiting discriminatory lending practices relating to a mortgage loan or a home improvement loan application. The commissioner shall not make a determination adverse to the financial institution based on an unintentional, isolated, or technical illegal discriminatory lending practice. If the commissioner determines that additional surplus funds belonging to the state shall not be deposited in that financial institution, then the commissioner also shall determine during the same proceeding, the commencement date and duration of the prohibition, which shall not exceed 2 years.

(2) The determination of the commissioner under this act shall be subject to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

History: Add. 1979, Act 88, Imd. Eff. Aug. 1, 1979