

CONSUMER MORTGAGE PROTECTION ACT (EXCERPT)
Act 660 of 2002

445.1644 Municipal actions; statutory conflict; preemption; severability.

Sec. 14.

(1) The federal government and state solely regulate the business of brokering, making, servicing, and collecting mortgage loans in this state and the manner in which any such business is conducted.

(2) Any charter, ordinance, resolution, regulation, rule, or other action by a municipal corporation or other political subdivision of this state to regulate, directly or indirectly, the brokering, making, servicing, or collecting of mortgage loans constitutes a statutory conflict with the uniform operation throughout the state of residential mortgage lending and is preempted.

(3) Any charter, ordinance, resolution, regulation, rule, or other action by a municipal corporation or other political subdivision of this state to collect information about, require reporting of, pledges regarding, notices, or certifications concerning loans, lenders, applicants, deposits, or credit experiences, character, and criminal background checks of employees, agents, customers, or other persons is preempted by this act.

(4) Any charter, ordinance, resolution, regulation, rule, or other action by a municipal corporation or other political subdivision of this state that attempts to regulate the brokering, making, servicing, or collecting of mortgage loans constitutes a statutory conflict and is preempted, including, without limitation, if the ordinance, resolution, regulation, or other action does either of the following:

(a) Disqualifies a person, or its subsidiaries or affiliates, from doing business with the municipal corporation or other political subdivision based upon the acts or practices of the person or its subsidiaries or affiliates in brokering, making, servicing, or collecting mortgage loans.

(b) Imposes reporting requirements or other obligations upon a person, or its subsidiaries or affiliates, based upon the person's, or its subsidiaries' or affiliates', acts or practices in brokering, making, servicing, or collecting mortgage loans.

(5) If any provision of this section, or any application of any provision of this section, is for any reason held to be illegal or invalid, the illegality or invalidity shall not affect any legal and valid provision or application of this section, and the provisions and applications of this section shall be severable.

History: 2002, Act 660, Imd. Eff. Dec. 23, 2002