

STATE SENATOR • JIM BARCIA • 31ST DISTRICT

Barcia Press Release

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Barcia Bill to Curb Predatory Lending Signed into Law

Legislation will require mortgage lenders to be registered as a loan officer

LANSING, Mich. - Senator Jim Barcia (D-Bay City) recently applauded Governor Jennifer Granholm for signing Senate Bill 1555 into law. The bill, authored by Barcia, would require those who provide loan officer services be the employee or agent of only one mortgage broker, mortgage lender, or mortgage servicer and be registered as a loan officer.

“This legislation will help reduce predatory lending and ensure homebuyers are purchasing from licensed, trustworthy individuals,” said Barcia. “I’d like to thank the House and Senate for their swift action on this bill as well as Governor Granholm for helping protect our consumers from unauthorized lenders.”

Under this bill, now Public Act 238, the Mortgage Brokers, Lenders, and Servicers Licensing Act would now apply to those originating secondary mortgages, or home equity loans. The Act states that a person may not pose as a mortgage broker, mortgage lender, or mortgage servicer without first obtaining a license and registering with the State.

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