



**House
Legislative
Analysis
Section**

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ACCOUNTS FOR BIWEEKLY MORTGAGE PAYMENTS

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APR 17 1989

House Bill 4106

Sponsor: Rep. William R. Keith *Mich. State Law Library*
Committee: Corporations and Finance

Complete to 2-24-89

A SUMMARY OF HOUSE BILL 4106 AS INTRODUCED 2-7-89

Public Act 186 of 1987 amended the usury law to allow a regulated depository financial institution (i.e. a state or nationally chartered bank, savings and loan association, or credit union), or its subsidiary, to require (or have required) as a condition for making a mortgage loan or land contract providing for biweekly payments, that the borrower maintain an "interest bearing" account with any depository institution so that automatic payment withdrawals can be made. The bill would amend the act to strike the words "interest bearing" from the requirement so that a borrower would simply have to maintain an account at any depository financial institution.

MCL 438.31c

House Bill 4106 (2-24-89)