

# HOUSE BILL No. 5201

October 18, 1989, Introduced by Reps. Jondahl, Gire, Perry Bullard, DeMars, DeBeaussaert, Scott, Honigman, Gubow and Hoekman and referred to the Committee on Corporations and Finance.

A bill to amend Act No. 319 of the Public Acts of 1969, entitled as amended  
"Banking code of 1969,"  
as amended, being sections 487.301 to 487.598 of the Michigan Compiled Laws, by adding section 151i.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Act No. 319 of the Public Acts of 1969, as  
2 amended, being sections 487.301 to 487.598 of the Michigan  
3 Compiled Laws, is amended by adding section 151i to read as  
4 follows:

5       SEC. 151I. A BANK WHICH REQUIRES AN ESCROW ACCOUNT FOR A  
6 LOAN MADE BY THE BANK SHALL DO BOTH OF THE FOLLOWING:

7       (A) PROVIDE INTEREST ON THE BALANCE OF THE ESCROW ACCOUNT AT  
8 THE SAME RATE AND IN THE SAME MANNER AS PROVIDED FOR ON THE  
9 BANK'S SAVINGS DEPOSIT ACCOUNTS.

1        (B) PROVIDE WRITTEN VERIFICATION OF NEED TO THE DEBTOR PRIOR  
2 TO INCREASING THE AMOUNT THE BANK WILL REQUIRE TO BE DEPOSITED BY  
3 THE DEBTOR IN THE ESCROW ACCOUNT.