



Romney Building, 10th Floor  
Lansing, Michigan 48909  
Phone: 517/373-6466

## ELIMINATE REFINANCING TITLE INSURANCE

**House Bills 6135 - 6139**  
**Sponsor: Rep. Lingg Brewer**  
**Committee: Commerce**

**Complete to 10-2-98**

### **A SUMMARY OF HOUSE BILLS 6135 - 6139 AS INTRODUCED 9-17-98**

The bills would amend various acts to prohibit lenders from requiring, as a condition of approving a refinancing mortgage loan, that a mortgagor obtain new title insurance if title insurance was issued with the mortgage loan that was being refinanced.

The bills also would define "refinancing mortgage loan" to mean a loan that is a refinancing of an existing mortgage loan on real property designed for occupancy by four or fewer families; and "title insurance" to mean the insuring, guaranteeing, or indemnifying of designated owners of real estate or any interest in real estate against loss or damage that may result because the title is vested in a manner otherwise than as stated in the title insurance policy, because the title is unmarketable, or because the title is subject to liens, encumbrances, or other matters adversely affecting the rights of use, enjoyment, or disposition of the real estate, and not excepted in the policy, all in accordance with the terms of a title insurance policy approved as to substance and form, or doing anything equivalent in substance to any of the foregoing in a manner designed to evade the provisions of the applicable statute.

House Bill 6135 would amend the Mortgage Brokers, Lenders, and Servicers Act (MCL 445.1672b). House Bill 6136 would amend the Banking Code of 1969 (MCL 487.547). House Bill 6137 would amend the Savings and Loan Act of 1980 (MCL 491.1135). House Bill 6138 would amend the Savings Bank Act (MCL 487.3513). House Bill 6139 would amend the credit union act (MCL 490.32).

Analyst: J. Hunault

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