

SR-119, As Adopted by Senate, November 6, 2007

Senators Kahn, Richardville, Anderson, Sanborn, Gleason, Schauer, Birkholz, Stamas, Clarke, Olshove, Brown, Cassis and Hunter offered the following resolution:

Senate Resolution No. 119.

A resolution to urge the Michigan Office of Financial and Insurance Services to continue its participation in the states-based development of the Nationwide Mortgage Licensing System.

Whereas, The recent turmoil in housing markets and the mortgage industry across the country has prompted Michigan and the other states of the Union to work together to bring increased safeguards and accountability to this vitally important sector of our economy. Since 2004, well before public attention began focusing on problems with loans and foreclosures, the states have been working through the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators to create a Nationwide Mortgage Licensing System; and

Whereas, The states, with vast experience dealing with more than 300,000 mortgage professionals, are in the final stages of creating the Nationwide Mortgage Licensing System to give state regulators, citizens, and lenders greater tools to identify and isolate unscrupulous operations that prey upon consumers; and

Whereas, The Nationwide Mortgage Licensing System will take best advantage of the information state regulators already have at their disposal to ensure that license status and history are instantly available in a centralized database. In this manner, without the creation of a new bureaucracy, problem individuals and operations cannot evade detection. This system also brings greater consistency in forms and better use of technology, which will not only increase consumer protection, but foster efficiency throughout the industry; and

Whereas, The approach being taken through the Nationwide Mortgage Licensing System, which is scheduled to go into effect in January 2008, is clearly consistent with existing resources and expertise in the states. It will have a notable impact in enhancing the safety for families seeking mortgages and strengthening the industry's ability to respond to illegal or inappropriate activities; now, therefore, be it

Resolved by the Senate, That we urge the Michigan Office of Financial and Insurance Services to continue its participation in the states-based development of the Nationwide Mortgage Licensing System and to expedite Michigan's involvement in this initiative to increase consumer protection, accountability, and efficiency within the mortgage industry; and be it further

Resolved, That a copy of this resolution be transmitted to the Office of Financial and Insurance Services.