# HOUSE BILL No. 6544

November 9, 2010, Introduced by Rep. Griffin and referred to the Committee on Banking and Financial Services.

A bill to provide education and counseling for the people of this state who are facing the foreclosure or forfeiture of mortgages or land contracts of their homes; to impose a fee on the transfer of certain real property to provide for the education and counseling; to require the establishment of funds by the counties in this state; to provide for the powers and duties of certain state and local governmental officers and entities; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1     Sec. 1. This act shall be known and may be cited as the

2  "homeowner education fund act".

3     Sec. 3. (1) Except as provided in subsection (3), the county

4  register of deeds shall collect a fee of $4.00 for recording any

1  instrument. The fee shall be paid when the instrument is given to

2  the register of deeds to be recorded. The fee is in addition to any

3  other fees or charges required by law for the recording of

4  instruments.

5      (2) The register of deeds shall deposit a fee collected under

6  subsection (1) within 15 days after collection in the county

7  homeowner education fund established under section 5, except that

8  the register of deeds may retain not more than 1-1/2% of each fee

9  collected under subsection (1) to cover the costs of administering

10 this section.

11     (3) The fee imposed under subsection (1) does not apply to any

12 of the following:

13     (a) An instrument filed or recorded by an agency of this state

14 under the state tax lien registration act, 1968 PA 203, MCL 211.681

15 to 211.687.

16     (b) A lien or discharge of lien under section 15 of the

17 Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.15.

18     (c) An instrument filed or recorded by an agency of the

19 federal government under the uniform federal lien registration act,

20 1983 PA 102, MCL 211.661 to 211.668.

21     (d) An instrument recorded under the uniform commercial code,

22 1962 PA 174, MCL 440.1101 to 440.11102.

23     (e) An instrument recorded by a foreclosing governmental unit

24 as required under sections 78 to 78o of the general property tax

25 act, 1893 PA 206, MCL 211.78 to 211.78o.

26     Sec. 5. (1) Each county treasurer shall establish a fund to be

27 known as the county homeowner education fund. The fund shall be

**1**    established as an interest bearing account, and interest earned

**2**    shall be credited to the account to be used as provided in this

**3**    act. The treasurer shall accept money from the fees imposed under

**4**    section 3 and any other source for deposit into the fund.

**5**        (2) A county may expend up to 1-1/2% of each fee deposited in

**6**    the county homeowner education fund to the extent necessary to pay

**7**    administrative expenses related to the fund.

**8**        (3) The balance of money in the county homeowner education

**9**    fund after payment of administrative expenses under subsection (2)

**10**   shall be expended only as provided under section 7.

**11**       Sec. 7. A county board of commissioners shall expend money in

**12**   the county homeowner education fund established under section 5 by

**13**   distributing the money to agencies that provide housing counseling,

**14**   are approved by the United States department of housing and urban

**15**   development or the Michigan state housing development authority,

**16**   and serve residents of the county. An agency that receives money

**17**   under this section shall use the money to counsel homeowners to

**18**   whom either of the following applies:

**19**       (a) The homeowner has mortgaged the home or is purchasing the

**20**   home on a land contract and the mortgage or land contract is being

**21**   foreclosed or foreclosure is being threatened.

**22**       (b) The homeowner is purchasing the home on a land contract

**23**   and the land contract is being forfeited or forfeiture is being

**24**   threatened.

**25**       Sec. 9. This act is repealed effective 10 years after the

**26**   effective date of this act.