

HOUSE BILL No. 5628

March 5, 1992, Introduced by Reps. Yokich, Profit, Allen, Joe Young, Sr., DeMars, Rocca, Gubow, Bennane, Byrum, Dobronski, Johnson, Kilpatrick, Stallworth, Murphy, Harrison, Joe Young, Jr., Varga, Wozniak, Dolan, Jondahl, Palamara, Niederstadt and Gire and referred to the Committee on Colleges and Universities.

A bill to amend sections 2 and 4a of Act No. 222 of the Public Acts of 1975, entitled as amended

"Higher education loan authority act,"

section 2 as amended by Act No. 206 of the Public Acts of 1987 and section 4a as added by Act No. 96 of the Public Acts of 1989, being sections 390.1152 and 390.1154a of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 2 and 4a of Act No. 222 of the Public
2 Acts of 1975, section 2 as amended by Act No. 206 of the Public
3 Acts of 1987 and section 4a as added by Act No. 96 of the Public
4 Acts of 1989, being sections 390.1152 and 390.1154a of the
5 Michigan Compiled Laws, are amended to read as follows:

6 Sec. 2. As used in this act:

1 (a) "Authority" means the Michigan higher education student
2 loan authority created by section 3.

3 (b) "Bonds" means the bonds authorized to be issued by the
4 authority under this act, which may consist of bonds, notes, term
5 loans, commercial paper, or other debt obligations evidencing an
6 obligation to repay borrowed money and payable solely from reve-
7 nues and other money pledged by the authority.

8 (c) "Bond resolution" or "resolution", when used in relation
9 to the issuance of bonds, means either the resolution or trust
10 agreement securing the bonds.

11 (d) "Eligible institution" means ANY OF THE FOLLOWING: ~~an~~

12 (A) AN institution of higher education ~~that~~ THAT IS IN COM-
13 PLIANCE WITH THE MICHIGAN CAMPUS SEXUAL ASSAULT VICTIMS' BILL OF
14 RIGHTS ACT.

15 (B) A vocational school. ~~or, with~~

16 (C) WITH respect to students or their parents who are citi-
17 zens or nationals of the United States, an institution outside
18 the United States comparable to an institution of higher educa-
19 tion or to a vocational school ~~which~~ THAT is approved by the
20 state board of education and by the United States secretary of
21 education for purposes of the guaranteed loan program.

22 (e) "National of the United States" means a person who,
23 though not a citizen of the United States, owes permanent alle-
24 giance to the United States, as defined in section 101(a)(22) of
25 the immigration and nationality act, 8 U.S.C. 1101.

26 (f) "Obligations" or "borrower obligations" means loan notes
27 and other debt obligations evidencing loans to students or

1 parents of students ~~which~~ THAT the authority may take, acquire,
2 buy, sell, or indorse under this act and may include a direct or
3 indirect interest in whole or part of the notes or obligations.

4 (g) "Parent" means a biological or adoptive parent or legal
5 guardian.

6 (h) "Standard rating service" means a service recognized in
7 the investment profession ~~which~~ THAT evaluates and measures
8 securities investment and credit risk.

9 (i) "Student" means a person who is enrolled or accepted for
10 enrollment at an eligible institution and who is making suitable
11 progress in his or her education toward obtaining a degree or
12 other appropriate certification in accordance with standards
13 acceptable to the authority.

14 Sec. 4a. In addition to the powers enumerated in section 4,
15 the authority may loan money to students or parents of students
16 who are residents of this state to assist them to pay for the
17 cost of the student's attendance at AN ELIGIBLE INSTITUTION THAT
18 IS a degree-granting college or university located in this
19 state. The authority shall promulgate rules under the adminis-
20 trative procedures act of 1969, Act No. 306 of the Public Acts of
21 1969, being sections 24.201 to 24.328 of the Michigan Compiled
22 Laws, to establish payment and repayment terms for the loans
23 authorized under this section.

24 Section 2. This amendatory act shall not take effect unless
25 Senate Bill No. _____ or House Bill No. 5624 (request
26 no. 04665'91) of the 86th Legislature is enacted into law.