

SENATE BILL NO. 748

September 28, 1999, Introduced by Senators EMMONS, MILLER,
STEIL and SHUGARS and referred to the Committee on Banking
and Financial Institutions.

A bill to amend 1986 PA 157, entitled
"Michigan export development act,"
by amending section 2 (MCL 447.152), as amended by 1990 PA 304.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Authority" means the Michigan export development
3 authority created by section 3.

4 (b) "Board" means the board of directors of the authority
5 established by section 4.

6 (c) "Eligible export loan" means a loan by a participating
7 financial institution located within this state the proceeds of
8 which are restricted to the financing of eligible export
9 transactions.

10 (d) "Eligible export transaction" means the sale of goods or
11 services, or the development of goods or services for sale,

SB 748, As Passed Senate, December 9, 1999

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1 outside of the United States by a person doing business in this
2 state, which goods or services, in the judgment of the authority,
3 have a substantial portion of their value created within this
4 state and which sale or development, in the judgment of the
5 authority, creates or maintains employment in this state.

6 (e) "Export insurance" means insurance made available by the
7 authority to protect an exporter against a foreign buyer's fail-
8 ure to pay for goods or services for political or commercial
9 reasons. The amount of the loss covered for each transaction and
10 particular risks shall be determined by the authority.

11 (f) "Grant" means an amount of money provided by the author-
12 ity to a nonprofit organization.

13 (g) "Guarantee" means a guarantee against loss, in whole or
14 in part, of principal of and interest on an eligible export
15 loan. The guarantee may include, without limitation, insurance
16 against loss up to the guarantee amount. A single guarantee may
17 encompass several individual eligible export loans or eligible
18 export transactions.

19 (h) "Guarantee amount" means the maximum amount payable
20 under a guarantee which amount shall be specifically set forth in
21 writing at the time the guarantee is entered into by the
22 authority.

23 (i) "Participating financial institution" means a bank as
24 defined by the banking code of ~~1969, Act No. 319 of the Public~~
25 ~~Acts of 1969, being sections 487.301 to 487.598 of the Michigan~~
26 ~~Compiled Laws~~ 1999, MCL 487.11101 TO 487.15101, an agency or
27 branch of a foreign banking corporation licensed by the

1 commissioner of the financial institutions bureau, or a national
2 bank, state or federal savings and loan association, or savings
3 bank or federal credit union located within this state that has
4 been approved by the board to participate in guaranteed funding
5 for eligible export loans and transactions within the purposes of
6 this act.

7 Enacting section 1. This amendatory act does not take
8 effect unless Senate Bill No. 745
9 of the 90th Legislature is enacted into
10 law.