

SENATE BILL No. 1164

March 16, 2006, Introduced by Senator CLARK-COLEMAN and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1980 PA 307, entitled
"Savings and loan act of 1980,"
(MCL 491.102 to 491.1202) by adding section 719.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 719. (1) UPON RECEIPT OF A WRITTEN REQUEST FROM AN
2 INDIVIDUAL WHO IS AN OUTSOURCED WORKER OR IS UNEMPLOYED AS A RESULT
3 OF THE BANKRUPTCY OF HIS OR HER EMPLOYER, AN ASSOCIATION SHALL
4 ALLOW THE INDIVIDUAL TO DEFER MAKING PAYMENTS OF PRINCIPAL AND TO
5 MAKE PAYMENTS OF INTEREST ONLY ON ANY ELIGIBLE LOAN MADE OR
6 SERVICED BY THE ASSOCIATION, WITHOUT ASSESSMENT OF A PENALTY OR THE
7 ACCRUAL OF ADDITIONAL INTEREST AND WITHOUT DECLARING A DEFAULT ON
8 THE LOAN, UNTIL THE FIRST OF ANY OF THE FOLLOWING OCCURS:

9 (A) THE INDIVIDUAL SELLS THE RESIDENTIAL REAL PROPERTY OR

1 PRIMARY VEHICLE SECURING THE ELIGIBLE LOAN.

2 (B) THE INDIVIDUAL OBTAINS COMPARABLE EMPLOYMENT.

3 (C) A PERIOD OF 12 MONTHS HAS ELAPSED.

4 (2) AS USED IN THIS SECTION:

5 (A) "ELIGIBLE LOAN" MEANS A LOAN SECURED BY A MORTGAGE OR
6 OTHER INTEREST IN AN INDIVIDUAL'S RESIDENTIAL REAL PROPERTY OR
7 SECURED BY A LIEN, SECURITY INTEREST, OR OTHER INTEREST IN AN
8 INDIVIDUAL'S PRIMARY VEHICLE.

9 (B) "OUTSOURCED WORKER" MEANS AN ADVERSELY AFFECTED WORKER, AS
10 THAT TERM IS DEFINED IN 20 CFR 617.3.