

# SENATE BILL No. 1166

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

A bill to amend 1988 PA 161, entitled  
"Consumer financial services act,"  
(MCL 487.2051 to 487.2072) by adding section 9a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           SEC. 9A. (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, A LICENSEE SHALL ALLOW  
4 THE INDIVIDUAL TO DEFER MAKING PAYMENTS OF PRINCIPAL AND TO MAKE  
5 PAYMENTS OF INTEREST ONLY ON ANY ELIGIBLE LOAN MADE OR SERVICED BY  
6 THE LICENSEE, WITHOUT ASSESSMENT OF A PENALTY OR THE ACCRUAL OF  
7 ADDITIONAL INTEREST AND WITHOUT DECLARING A DEFAULT ON THE LOAN,  
8 UNTIL THE FIRST OF ANY OF THE FOLLOWING OCCUR:

1           (A) THE INDIVIDUAL SELLS THE RESIDENTIAL REAL PROPERTY OR  
2 PRIMARY VEHICLE SECURING THE ELIGIBLE LOAN.

3           (B) THE INDIVIDUAL OBTAINS COMPARABLE EMPLOYMENT.

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

5           (2) AS USED IN THIS SECTION:

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

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