

# HOUSE BILL No. 6380

August 30, 2006, Introduced by Reps. Moore, Emmons, Mortimer, Farhat and Nitz and referred to the Committee on Higher Education and Career Preparation.

A bill to amend 1975 PA 222, entitled "Higher education loan authority act," by amending section 2 (MCL 390.1152), as amended by 1987 PA 206.

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

1           Sec. 2. As used in this act:

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

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

1 (c) "Bond resolution" or "resolution", when used in relation  
2 to the issuance of bonds, means either the resolution or trust  
3 agreement securing the bonds.

4 (d) "Eligible institution" means ~~—~~ an institution of higher  
5 education; a vocational school; or, with respect to students or  
6 their parents who are citizens or nationals of the United States,  
7 an institution outside the United States comparable to an  
8 institution of higher education or to a vocational school ~~—which~~  
9 **THAT** is approved by the ~~—state board of education—~~ **SUPERINTENDENT**  
10 **OF PUBLIC INSTRUCTION** and by the United States secretary of  
11 education for purposes of the guaranteed loan program.

12 (e) "National of the United States" means a person who, though  
13 not a citizen of the United States, owes permanent allegiance to  
14 the United States, as ~~—defined—~~ **DESCRIBED** in section ~~—101(a)(22)—~~  
15 **101(A)(22)(B)** of the immigration and nationality act, 8 ~~—U.S.C.—~~  
16 **USC 1101**.

17 (f) "Obligations" or "borrower obligations" means loan notes  
18 and other debt obligations evidencing loans to students or parents  
19 of students which the authority may take, acquire, buy, sell, or  
20 indorse under this act and may include a direct or indirect  
21 interest in whole or part of the notes or obligations.

22 (g) "Parent" means a biological or adoptive parent or legal  
23 guardian.

24 (h) "Standard rating service" means a service recognized in  
25 the investment profession which evaluates and measures securities  
26 investment and credit risk.

27 (i) "Student" means a person who is enrolled or accepted for

1 enrollment at an eligible institution and who is making suitable  
2 progress in his or her education toward obtaining a degree or other  
3 appropriate certification in accordance with standards acceptable  
4 to the authority.

5       Enacting section 1. This amendatory act is intended to  
6 transfer back to the superintendent of public instruction certain  
7 powers, duties, and functions that were transferred to the former  
8 department of career development by Executive Reorganization Order  
9 No. 1999-7, MCL 388.995.