

SENATE BILL No. 1161

March 16, 2006, Introduced by Senators OLSHOVE, CHERRY, PRUSI, SCOTT, EMERSON, BRATER, JACOBS and THOMAS and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1975 PA 222, entitled
"Higher education loan authority act,"
by amending section 4a (MCL 390.1154a), as added by 1989 PA 96.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4a. (1) FROM MONEY APPROPRIATED FROM THE MICHIGAN MERIT
2 AWARD TRUST FUND OR THE WORKER EMERGENCY FUND, THE AUTHORITY SHALL
3 MAKE LOW-INTEREST LOANS TO FULL-TIME UNDERGRADUATE STUDENTS WHO ARE
4 RESIDENTS OF THIS STATE, WHO ARE ENROLLED IN AN ELIGIBLE
5 INSTITUTION, AND WHO HAVE A PARENT WHO IS AN OUTSOURCED WORKER OR
6 WHO IS UNEMPLOYED BECAUSE OF THE BANKRUPTCY OF THE PARENT'S
7 EMPLOYER. A LOAN UNDER THIS SECTION SHALL NOT EXCEED A STUDENT'S
8 TUITION EXPENSES IN THE ACADEMIC YEAR IN WHICH THE STUDENT APPLIES

1 FOR A LOAN AND IS PAYABLE BEGINNING 6 MONTHS AFTER THE STUDENT IS
2 AWARDED A BACHELOR'S OR ASSOCIATE DEGREE OR AFTER THE STUDENT IS NO
3 LONGER A FULL-TIME STUDENT, WHICHEVER OCCURS FIRST.

4 (2) In addition to the powers enumerated in THIS SECTION AND
5 section 4, the authority may loan money to students or parents of
6 students who are residents of this state to assist them to pay for
7 the cost of the student's attendance at a degree-granting college
8 or university located in this state.

9 (3) The authority shall promulgate rules under the
10 administrative procedures act of 1969, ~~Act No. 306 of the Public~~
11 ~~Acts of 1969, being sections 24.201 to 24.328 of the Michigan~~
12 ~~Compiled Laws~~ 1969 PA 306, MCL 24.201 TO 24.328, to establish
13 payment and repayment terms for the loans authorized under this
14 section.

15 (4) AS USED IN THIS SECTION:

16 (A) "ACADEMIC YEAR" MEANS THE PERIOD FROM AUGUST 1 OF A
17 CALENDAR YEAR TO JULY 31 OF THE NEXT CALENDAR YEAR.

18 (B) "ELIGIBLE INSTITUTION" MEANS A DEGREE- OR CERTIFICATE-
19 GRANTING PUBLIC OR INDEPENDENT NONPROFIT COLLEGE OR UNIVERSITY,
20 JUNIOR COLLEGE, OR COMMUNITY COLLEGE IN THIS STATE.

21 (C) "FULL-TIME STUDENT" MEANS A STUDENT ENROLLED IN AT LEAST
22 12 CREDIT HOURS IN AN ACADEMIC SEMESTER OR ITS EQUIVALENT NUMBER OF
23 CREDIT HOURS IN A TERM OR QUARTER, AS DETERMINED BY THE AUTHORITY.

24 (D) "MICHIGAN MERIT AWARD TRUST FUND" MEANS THE MICHIGAN MERIT
25 AWARD TRUST FUND ESTABLISHED UNDER SECTION 4 OF THE MICHIGAN TRUST
26 FUND ACT, 2000 PA 489, MCL 12.259.

27 (E) "OUTSOURCED WORKER" MEANS AN ADVERSELY AFFECTED WORKER, AS

1 THAT TERM IS DEFINED IN 20 CFR 617.3.

2 (F) "WORKER EMERGENCY FUND" MEANS THE WORKER EMERGENCY FUND
3 ESTABLISHED IN THE WORKER EMERGENCY FUND ACT.

4 Enacting section 1. This amendatory act does not take effect
5 unless Senate Bill No.____ or House Bill No.____ (request no.
6 05498'05) of the 93rd Legislature is enacted into law.