

# SENATE BILL No. 1158

March 16, 2006, Introduced by Senators BARCIA, CHERRY, SCOTT and PRUSI and referred to the Committee on Banking and Financial Institutions.

A bill to amend 2003 PA 215, entitled  
"Credit union act,"  
(MCL 490.101 to 490.601) by adding section 425.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 425. (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 DOMESTIC CREDIT UNION  
4        SHALL ALLOW THE INDIVIDUAL TO DEFER MAKING PAYMENTS OF PRINCIPAL  
5        AND TO MAKE PAYMENTS OF INTEREST ONLY ON ANY ELIGIBLE LOAN MADE OR  
6        SERVICED BY THE DOMESTIC CREDIT UNION, WITHOUT ASSESSMENT OF A  
7        PENALTY OR THE ACCRUAL OF ADDITIONAL INTEREST AND WITHOUT DECLARING  
8        A DEFAULT ON THE LOAN, UNTIL THE FIRST OF ANY OF THE FOLLOWING

1 OCCURS:

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

4 (B) THE INDIVIDUAL OBTAINS COMPARABLE EMPLOYMENT.

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

6 (2) AS USED IN THIS SECTION:

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

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