

# SENATE BILL No. 1291

May 7, 2002, Introduced by Senator HAMMERSTROM and referred to the Committee on Appropriations.

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 reve-  
8 nues and other money pledged by the authority.

9       (c) "Bond resolution" or "resolution", when used in relation  
10 to the issuance of bonds, means either the resolution or trust  
11 agreement securing the bonds.

1 (d) "Eligible institution" means: an institution of higher  
2 education; a vocational school; or, with respect to students or  
3 their parents who are citizens or nationals of the United States,  
4 an institution outside the United States comparable to an insti-  
5 tution of higher education or to a vocational school ~~which~~ THAT  
6 is approved by the ~~state board of education~~ DEPARTMENT OF  
7 CAREER DEVELOPMENT and by the United States secretary of educa-  
8 tion for purposes of the guaranteed loan program.

9 (e) "National of the United States" means a person who,  
10 though not a citizen of the United States, owes permanent alle-  
11 giance to the United States, as defined in section 101(a)(22) of  
12 the immigration and nationality act, 8 U.S.C. 1101.

13 (f) "Obligations" or "borrower obligations" means loan notes  
14 and other debt obligations evidencing loans to students or par-  
15 ents of students ~~which~~ THAT the authority may take, acquire,  
16 buy, sell, or indorse under this act and may include a direct or  
17 indirect interest in whole or part of the notes or obligations.

18 (g) "Parent" means a biological or adoptive parent or legal  
19 guardian.

20 (h) "Standard rating service" means a service recognized in  
21 the investment profession ~~which~~ THAT evaluates and measures  
22 securities investment and credit risk.

23 (i) "Student" means a person who is enrolled or accepted for  
24 enrollment at an eligible institution and who is making suitable  
25 progress in his or her education toward obtaining a degree or  
26 other appropriate certification in accordance with standards  
27 acceptable to the authority.