

# SENATE BILL No. 1162

March 16, 2006, Introduced by Senators CHERRY, OLSHOVE, SCOTT, PRUSI, BRATER, CLARK-COLEMAN, SWITALSKI, CLARKE, BASHAM, EMERSON, THOMAS, SCHAUER, BARCIA and LELAND and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1999 PA 276, entitled  
"Banking code of 1999,"  
(MCL 487.11101 to 487.15105) by adding section 4206.

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

1           SEC. 4206. (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 BANK SHALL ALLOW THE  
4 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 BANK, 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 OCCURS:

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

1 (B) THE INDIVIDUAL OBTAINS COMPARABLE EMPLOYMENT.

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

3 (2) AS USED IN THIS SECTION:

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

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