

HOUSE SUBSTITUTE FOR SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4083

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending section 11 (MCL 125.2011), as amended by 1987 PA 278.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) Within 90 days after assistance for a project is
2 requested from the fund by the filing of a written application with
3 the board, the board shall approve or disapprove the request for
4 assistance. Upon written request by an applicant, the board may
5 reconsider its denial of an application for assistance under this
6 section or may waive the 90-day deadline for approving or
7 disapproving an application.

8 (2) **BEGINNING JULY 1, 2009, THE BOARD SHALL NOT APPROVE A**
9 **REQUEST FOR ASSISTANCE FOR A PROJECT OR AN ECONOMIC DEVELOPMENT**
10 **PROJECT, OR A LOAN OR GRANT UNDER CHAPTER 8A, UNLESS THE APPLICANT**

1 STATES, IN WRITING, THAT THE APPLICANT WILL NOT KNOWINGLY HIRE OR
2 CONTRACT WITH ANY BUSINESS ENTITY THAT KNOWINGLY HIRES AN
3 INDIVIDUAL WHO IS NOT AUTHORIZED UNDER FEDERAL LAW TO WORK IN THE
4 UNITED STATES.

5 (3) BEGINNING JULY 1, 2009, THE BOARD SHALL NOT APPROVE A
6 REQUEST FOR ASSISTANCE FOR A PROJECT OR AN ECONOMIC DEVELOPMENT
7 PROJECT, OR A LOAN OR GRANT UNDER CHAPTER 8A, UNLESS THE APPLICANT
8 STATES, IN WRITING, THAT THE APPLICANT WILL DO ALL OF THE
9 FOLLOWING:

10 (A) HIRE ONLY RESIDENTS OF THIS STATE TO WORK ON PROJECTS,
11 ECONOMIC DEVELOPMENT PROJECTS, OR FACILITIES THAT ARE CONSTRUCTED
12 WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A UNLESS THE BOARD
13 DETERMINES THAT THE PROJECT, ECONOMIC DEVELOPMENT PROJECT, OR
14 FACILITIES THAT ARE CONSTRUCTED WITH A LOAN OR GRANT PROVIDED UNDER
15 CHAPTER 8A CANNOT BE CONSTRUCTED BY USING ONLY RESIDENTS OF THIS
16 STATE FOR 1 OR MORE OF THE FOLLOWING:

17 (i) TO THE EXTENT NECESSARY TO COMPLY WITH FEDERAL LAW OR
18 REGULATION CONCERNING THE USE OF FEDERAL FUNDS.

19 (ii) TO THE EXTENT THAT KEY MANAGEMENT PERSONNEL OR INDIVIDUALS
20 WITH SPECIAL SKILLS, WHO ARE NOT RESIDENTS OF THIS STATE, ARE
21 NEEDED.

22 (iii) TO THE EXTENT THAT IT WILL NOT HAVE A SIGNIFICANT ADVERSE
23 EFFECT ON THE RESIDENTS OF THIS STATE, A PROJECT LOCATED IN A
24 COUNTY THAT BORDERS ON ANOTHER STATE MAY USE RESIDENTS OF THAT
25 STATE.

26 (B) CONTRACT WITH BUSINESSES THAT AGREE TO HIRE ONLY RESIDENTS
27 OF THIS STATE TO WORK ON PROJECTS, ECONOMIC DEVELOPMENT PROJECTS,

1 OR FACILITIES THAT ARE CONSTRUCTED WITH A LOAN OR GRANT PROVIDED
2 UNDER CHAPTER 8A UNLESS THE BOARD DETERMINES THAT THE PROJECT,
3 ECONOMIC DEVELOPMENT PROJECT, OR FACILITIES THAT ARE CONSTRUCTED
4 WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A CANNOT BE
5 CONSTRUCTED BY USING ONLY RESIDENTS OF THIS STATE FOR 1 OR MORE OF
6 THE FOLLOWING:

7 (i) TO THE EXTENT NECESSARY TO COMPLY WITH FEDERAL LAW OR
8 REGULATION CONCERNING THE USE OF FEDERAL FUNDS.

9 (ii) TO THE EXTENT THAT KEY MANAGEMENT PERSONNEL OR INDIVIDUALS
10 WITH SPECIAL SKILLS, WHO ARE NOT RESIDENTS OF THIS STATE, ARE
11 NEEDED.

12 (iii) TO THE EXTENT THAT IT WILL NOT HAVE A SIGNIFICANT ADVERSE
13 EFFECT ON THE RESIDENTS OF THIS STATE, A PROJECT LOCATED IN A
14 COUNTY THAT BORDERS ON ANOTHER STATE MAY USE RESIDENTS OF THAT
15 STATE.

16 (4) BEGINNING JULY 1, 2009, THE WRITTEN AGREEMENT DESCRIBED IN
17 SUBSECTIONS (2) AND (3) SHALL ALSO CONTAIN A REMEDY PROVISION THAT
18 PROVIDES FOR ALL OF, BUT NOT LIMITED TO, THE FOLLOWING:

19 (A) A REQUIREMENT THAT THE APPLICANT'S FINANCING, LOAN, OR
20 GRANT MAY BE REVOKED UNDER THIS ACT IF THE APPLICANT IS DETERMINED
21 TO BE IN SUBSTANTIAL VIOLATION OF SUBSECTION (2) OR (3), AS
22 DETERMINED BY THE BOARD.

23 (B) A REQUIREMENT THAT THE APPLICANT MAY BE REQUIRED TO REPAY
24 SOME OR ALL OF THE BENEFITS RECEIVED UNDER THIS ACT IF THE
25 APPLICANT IS DETERMINED TO BE IN SUBSTANTIAL VIOLATION OF THE
26 PROVISIONS OF SUBSECTION (2) OR (3), AS DETERMINED BY THE BOARD.

27 (5) NOT LATER THAN FEBRUARY 1 EACH YEAR, THE BOARD SHALL

1 REPORT TO EACH HOUSE OF THE LEGISLATURE ON THE ACTIVITIES FOR THE
2 IMMEDIATELY PRECEDING FISCAL YEAR. THE REPORT SHALL CONTAIN ALL OF
3 THE FOLLOWING:

4 (A) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN JOBS FROM
5 PROJECTS, ECONOMIC DEVELOPMENT PROJECTS, OR FACILITIES CONSTRUCTED
6 WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A IN THE IMMEDIATELY
7 PRECEDING YEAR.

8 (B) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN JOBS AND THE
9 NUMBER OF JOBS CREATED FROM OTHER ECONOMIC DEVELOPMENT INITIATIVES
10 THAT ARE REQUIRED TO BE REPORTED TO THE BOARD.

11 (C) THE SPECIFIC REASONS FOR EACH DETERMINATION OF EXEMPTION
12 FROM THE PROVISIONS OF SUBSECTION (3) (A) OR (B) MADE BY THE BOARD
13 AND THE NUMBER OF JOBS RELATED TO EACH DETERMINATION.

14 (D) ANY OTHER INFORMATION THE BOARD DETERMINES NECESSARY.

15 Enacting section 1. This amendatory act does not take effect
16 unless all of the following bills of the 95th Legislature are
17 enacted into law:

18 (a) House Bill No. 4085.

19 (b) House Bill No. 4086.