

**SUBSTITUTE FOR
HOUSE BILL NO. 5653**

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending sections 88b, 88f, and 88h (MCL 125.2088b, 125.2088f,
and 125.2088h), section 88b as amended by 2014 PA 505, section 88f
as amended by 2012 PA 221, and section 88h as amended by 2012 PA
145, and by adding section 88u.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 88b. (1) The fund shall create and operate programs
2 authorized under this ~~act~~. ~~The~~ **chapter. Consistent with the**
3 **requirements of this chapter, the** fund board shall determine the
4 annual allocation of money for programs authorized under this ~~act~~
5 **chapter** and make authorized expenditures or investments from the
6 investment fund of the 21st century jobs trust fund ~~created in the~~



1 ~~Michigan trust fund act, 2000 PA 489, MCL 12.251 to 12.260,~~ as
 2 authorized under this act for programs and activities authorized
 3 under this act. **chapter.**

4 (2) Money transferred or appropriated by law to the fund for
 5 the purposes of carrying out this chapter or chapter 8C ~~shall~~**must**
 6 be expended or invested by the fund as authorized by law for the
 7 following purposes:

8 (a) 21st century investments ~~as long as~~**if** those investments
 9 provide for repayment for breach of the written agreement or the
 10 failure to meet measurable outcomes.

11 (b) Grants and loans approved by the **strategic economic**
 12 **investment and** commercialization board under section 88k ~~as long as~~
 13 **if** those grants and loans provide for repayment for breach of the
 14 written agreement or the failure to meet measurable outcomes.

15 (c) Other programs or activities authorized under this
 16 chapter, any other chapter of this act, or as provided in an
 17 appropriation act ~~as long as~~**if** those programs or activities
 18 provide for repayment for breach of the written agreement or the
 19 failure to meet measurable outcomes.

20 (d) ~~For promotion of tourism in this state. For fiscal year~~
 21 ~~2010-2011 only, \$20,000,000.00 for the promotion of tourism in this~~
 22 ~~state from funds appropriated in the jobs for Michigan investment~~
 23 ~~program - 21st century jobs fund line in section 109 of 2010 PA 191~~
 24 ~~with not less than \$1,500,000.00 to be used for the 2010-2011~~
 25 ~~winter advertisement buy. For all funds used for promotion of~~
 26 ~~tourism in this state under this subdivision, the fund shall report~~
 27 ~~to the legislature at the same time and in the same manner as~~
 28 ~~provided in section 89d.~~**For the Michigan innovation fund program as**
 29 **provided in section 88u.**



1 (e) Grants, loans, or other economic assistance under section
 2 88r and community revitalization incentives under chapter 8C ~~as~~
 3 ~~long as if~~ those grants, loans, other economic assistance, and
 4 community revitalization incentives provide for repayment for
 5 breach of the written agreement or the failure to meet measurable
 6 outcomes.

7 (3) Not more than 4% of the annual appropriation as provided
 8 by law from the 21st century jobs trust fund ~~created in the~~
 9 ~~Michigan trust fund act, 2000 PA 489, MCL 12.251 to 12.260,~~ may be
 10 used for the purposes of administering the programs and activities
 11 authorized under this chapter. However, the fund and the fund board
 12 shall not use more than 3% of the annual appropriation for
 13 administering the programs and activities authorized under this
 14 chapter unless the fund board by a 2/3 vote authorizes the
 15 additional 1% for administration. The MEDC may charge actual and
 16 reasonable fees for costs associated with loans, grants, or other
 17 economic assistance under this chapter. These fees are in addition
 18 to ~~an~~ **the** amount of the appropriation used for administering the
 19 programs and activities authorized under this chapter.

20 (4) Not more than 5% of the annual appropriation as provided
 21 by law from the 21st century jobs trust fund ~~created in the~~
 22 ~~Michigan trust fund act, 2000 PA 489, MCL 12.251 to 12.260,~~ may be
 23 used for business development and business marketing costs. No
 24 funds may be used for any business development and business
 25 marketing effort that includes a reference to or the image or voice
 26 of an elected state officer or a candidate for elective state
 27 office and that is targeted to a media market in ~~Michigan.~~ **this**
 28 **state.**

29 (5) The fund shall not use any money appropriated or



1 transferred for purposes authorized under this chapter to acquire
2 interests in or improve real property. The restriction under this
3 subsection does not prohibit the fund from taking a security
4 interest in real property. The restriction under this subsection
5 applies only to the fund and not to recipients of expenditures or
6 investments under this chapter.

7 (6) The fund board may select all vendors for all expenditures
8 and for program awards under this chapter by issuing a request for
9 proposal or an alternative competitive process as determined by the
10 fund board. At a minimum, the request for proposal ~~shall~~**must**
11 require the responding entities to disclose any conflict of
12 interest, disclose any criminal convictions, disclose any
13 investigations by the ~~internal revenue service~~**Internal Revenue**
14 **Service** or any other federal or state taxing body or court,
15 disclose any litigation involving the entity, and maintain records
16 and evidence pertaining to work performed. The fund board shall
17 establish a standard process to evaluate proposals submitted as a
18 result of a request for proposal and appoint a committee to review
19 the proposals. The fund or the fund board shall not appoint or
20 designate any person paid or unpaid to a committee to review
21 proposals if that person has a conflict of interest with any
22 potential vendors as determined by the office of the chief
23 compliance officer established in section 88i.

24 (7) ~~Application~~**The fund may use application** fees received for
25 programs and activities authorized under this chapter or chapter 8C
26 ~~may be used by the fund for~~ administering the programs and
27 activities authorized under this chapter or chapter 8C. The
28 restrictions on expenditures under subsection (3) do not apply to
29 expenditure of application fee revenue under this subsection.



1 (8) Funds appropriated by law to the fund board or the fund
 2 may be expended by the fund board or fund without further
 3 appropriation regardless of the source of those funds.

4 (9) Money deposited in the 21st century jobs trust fund under
 5 section 7(1)(c) of the Michigan trust fund act, 2000 PA 489, MCL
 6 12.257, must be expended as provided in section 88u.

7 (10) As used in this section, "21st century jobs trust fund"
 8 means the 21st century jobs trust fund established in section 7 of
 9 the Michigan trust fund act, 2000 PA 489, MCL 12.257.

10 Sec. 88f. (1) When creating programs for 21st century
 11 investments under this chapter, the fund shall create and operate
 12 the venture capital investment program. The fund board shall
 13 authorize investments that ~~shall~~**must** invest only in or alongside a
 14 qualified venture capital fund that invests primarily in early
 15 stage businesses **in this state**. The venture capital investment
 16 program ~~shall~~**must** do all of the following:

17 (a) Provide that the return on investment that is sought is
 18 greater than the return on investment under the commercial loan
 19 portion of the loan enhancement program to reflect the greater risk
 20 and track actual return on investment performance comparison
 21 between venture capital investment and commercial loan enhancement
 22 investments on an ongoing basis in the annual report.

23 (b) Provide that the qualified venture capital fund will have
 24 an amount at risk greater than the fund's investment.

25 (c) Provide that a qualified venture capital fund is not
 26 eligible to participate in a venture capital investment program
 27 unless it operates a business development office in this state
 28 staffed with at least 1 full-time equivalent employee who is
 29 actively seeking opportunities for venture capital investments in



1 businesses located in this state. ~~unless the investment opportunity~~
2 ~~requested by the qualified venture capital fund is targeted to a~~
3 ~~specific transaction involving a competitive edge technology that~~
4 ~~will not occur without the fund's investment as determined by the~~
5 ~~fund board.~~

6 (d) Provide that a qualified venture capital fund is not
7 eligible to participate in a venture capital investment program
8 unless it agrees to make venture capital investments in this state
9 at a percentage rate that is not less than the percentage rate that
10 the fund's investment in the qualified venture capital fund bears
11 to the total amount in the qualified venture capital fund.

12 (e) Provide that a qualified venture capital fund is not
13 eligible to participate in a venture capital investment program if
14 its investment strategy provides for the breakup and liquidation of
15 businesses. The fund board shall make sure that the agreements with
16 a venture capital fund have the appropriate provisions to prohibit
17 the actions described in this subdivision.

18 ~~(f) Coordinate with the Michigan early stage venture~~
19 ~~investment fund as defined in section 3 of the Michigan early stage~~
20 ~~venture investment act of 2003, 2003 PA 296, MCL 125.2233, to~~
21 ~~ensure that a continuum of venture capital is available in this~~
22 ~~state.~~

23 ~~(g) Provide that 80% of the funds allocated to a venture~~
24 ~~capital investment program shall focus on competitive edge~~
25 ~~technologies.~~

26 (f) ~~(h)~~ Provide that a qualified venture capital fund may make
27 follow-up investments that were eligible for investment at the time
28 of initial investment but that subsequently may not be
29 characterized as an investment in an early stage business.



1 (2) The fund board may limit overhead rates for recipients of
 2 awards to reflect actual overhead, administrative fees, and
 3 management fees, to an amount as determined by the fund board,
 4 which overhead rates ~~shall~~**must** not exceed 25% of the award. Start-
 5 up costs may be reimbursed as determined by the fund board.

6 Sec. 88h. (1) The jobs for Michigan investment fund is created
 7 within the fund as a permanent fund authorized by section 19 of
 8 article IX of the state constitution of 1963. Money in the
 9 investment fund at the close of the fiscal year ~~shall remain~~
 10 **remains** in the investment fund and ~~shall~~**does** not lapse to the
 11 general fund. Money in the investment fund ~~shall~~**must** not be
 12 transferred to another governmental entity or a separate legal
 13 entity and public body corporate established under the urban
 14 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
 15 124.512, except as authorized in this chapter.

16 (2) Money or other assets deposited in the investment fund
 17 ~~shall~~**must** be held as permanent funds as provided under section 19
 18 of article IX of the state constitution of 1963 and invested only
 19 as authorized under this chapter, including, but not limited to,
 20 investments in the stock of a company, association, or corporation.

21 (3) The investment fund ~~shall~~**must** be invested as authorized
 22 under this chapter for the benefit of the people of ~~the~~**this** state
 23 ~~of Michigan~~ and for the purpose of creating incentives for the
 24 following in this state:

- 25 (a) Retaining or creating jobs.
- 26 (b) Increasing capital investment activity.
- 27 (c) Increasing commercial lending activity.
- 28 (d) Encouraging the development and commercialization of
- 29 competitive edge technologies.



1 (e) Revitalizing Michigan communities.

2 (4) Funds or other assets of the investment fund also may be
3 invested in debt instruments or debt obligations for loans or
4 guarantees authorized under this chapter.

5 (5) The investment fund ~~shall consist~~ **consists** of all of the
6 following:

7 (a) Any funds appropriated to, transferred to, or deposited in
8 the investment fund from the 21st century jobs trust fund. ~~under~~
9 ~~the Michigan trust fund act, 2000 PA 489, MCL 12.251 to 12.260.~~

10 (b) Earnings, royalties, return on investments, return of
11 principal, payments made, or other money received by or payable to
12 the fund under agreements related to grants, loans, investments, or
13 expenditures by the fund under this chapter or chapter 8C.

14 (c) Assets, property, money, earnings, royalties, return on
15 investments, return of principal, payments made, or other money
16 owed, received by, or payable to the fund or the Michigan economic
17 development corporation under agreements related to grants, loans,
18 investments, or other payments funded by appropriations from the
19 state general fund or tobacco settlement revenue under 1 or more of
20 the following:

21 (i) Section 418 of 1999 PA 120, commonly known as the health
22 and aging research and development initiative or the Michigan life
23 sciences corridor initiative, or any successor program.

24 (ii) Section 410 of 2000 PA 292, commonly known as the health
25 and aging research and development initiative or the Michigan life
26 sciences corridor initiative, or any successor program.

27 (iii) Section 410 of 2001 PA 80, commonly known as the health
28 and aging research and development initiative or the Michigan life
29 sciences corridor initiative, or any successor program.



1 (iv) Section 410 of 2002 PA 517, commonly known as the Michigan
2 life sciences corridor initiative, or any successor program.

3 (v) Section 410 of 2003 PA 169, commonly known as the Michigan
4 life sciences and technology tri-corridor initiative, or any
5 successor program.

6 (vi) Section 510 of 2004 PA 354, commonly known as the Michigan
7 technology tri-corridor and life sciences initiative, or any
8 successor program.

9 (vii) Section 801 of 2005 PA 11, commonly known as the
10 technology tri-corridor and life sciences initiative, or any
11 successor program.

12 (viii) Section 381(1)(c) of 2003 PA 173, providing for payments
13 to the life sciences commercial development fund.

14 **(d) Any funds appropriated to, transferred to, or deposited in**
15 **the investment fund under section 88u(3)(b).**

16 **(e)** ~~(d)~~ Money or assets received by the state treasurer or the
17 fund from any source for deposit in the investment fund.

18 **(f)** ~~(e)~~ Interest and earnings on any funds or other assets
19 deposited in the investment fund or other net income of the
20 investment fund.

21 (6) The net income of the investment fund may be expended by
22 the fund only for purposes authorized under this chapter or chapter
23 8C pursuant to an appropriation authorized by law. ~~As used in~~ **For**
24 **purposes of** this section, the net income of the investment fund
25 ~~shall~~ **must** be computed annually as of the last day of the state
26 fiscal year in accordance with generally accepted accounting
27 principles, excluding any unrealized gains or losses.

28 (7) The fund board ~~shall be~~ **is** the trustees of the investment
29 fund and shall direct the investment and reinvestment of the funds



1 and assets of the investment fund as consistent with the objectives
2 of this chapter or chapter 8C.

3 (8) The fund board may establish restricted subaccounts within
4 the investment fund as necessary to administer the investment fund.
5 The fund board may contract with the state treasurer to assist the
6 fund board in administering the investment fund. The fund board may
7 authorize money in the investment fund not invested as authorized
8 under sections 88d, 88e, 88f, 88g, 88q, ~~and 88r,~~ **and 88u** and
9 chapter 8C to be managed by the state treasurer as part of the
10 common cash fund of this state under 1967 PA 55, MCL 12.51 to
11 12.53. ~~Money~~ **The state treasurer shall separately account for money**
12 managed by the state treasurer under this subsection. ~~shall be~~
13 ~~separately accounted for by the state treasurer. When~~ **If** authorized
14 under this subsection, the state treasurer may invest the funds or
15 assets of the investment fund in any investment authorized under
16 1855 PA 105, MCL 21.141 to 21.147, for surplus funds of this state,
17 in ~~obligations~~ **any obligation** issued by ~~any a~~ state or political
18 subdivision or instrumentality of the United States, or in any
19 obligation issued, assumed, or guaranteed by a solvent entity
20 created or existing under the laws of the United States or of any
21 state, district, or territory of the United States, ~~which are~~ **that**
22 **is** not in default as to principal or interest.

23 (9) A member of the fund board or officer of the fund shall
24 not gain from any investment of funds or assets of the investment
25 fund. A member of the fund board or officer of the fund shall not
26 have any direct or indirect interest in an investment of funds or
27 assets of the investment fund. A member of the fund board or person
28 connected with the investment fund directly or indirectly, for
29 ~~himself or herself,~~ **that person**, or as an agent or partner of



1 others, shall not borrow any of the funds or assets of the
2 investment fund or in any manner use funds or assets of the
3 investment fund except as authorized under this chapter. A member
4 of the fund board or officer of the fund shall not become an
5 endorser or surety or become in any manner an obligor for money
6 loaned by or borrowed from the investment fund. Failure to comply
7 with this subsection constitutes misconduct in office subject to
8 removal under section 94. In addition to any other sanction, a
9 person who violates this subsection is guilty of a misdemeanor
10 punishable by imprisonment for not more than 90 days or a fine of
11 not more than \$500.00, or both.

12 (10) As used in this section, "21st century jobs trust fund"
13 means the 21st century jobs trust fund established in section 7 of
14 the Michigan trust fund act, 2000 PA 489, MCL 12.257.

15 Sec. 88u. (1) The fund shall create and operate the Michigan
16 innovation fund program to provide support for qualified evergreen
17 venture funds, qualified venture capital funds, qualified emerging
18 evergreen funds, and qualified start-up support services in this
19 state. Money deposited in the 21st century jobs trust fund under
20 section 7(1)(c) of the Michigan trust fund act, 2000 PA 489, MCL
21 12.257, must be expended by the fund to support the Michigan
22 innovation fund program as provided in this section.

23 (2) The fund shall expend money deposited in the 21st century
24 jobs trust fund under section 7(1)(c) of the Michigan trust fund
25 act, 2000 PA 489, MCL 12.257, in the fiscal year ending September
26 30, 2025, as follows:

27 (a) 80% for grants to qualified evergreen venture funds for
28 eligible activities.

29 (b) 12% for grants to qualified nonprofits for qualified



1 start-up support services.

2 (c) Not more than 8% for grants to 1 or more qualified
3 emerging evergreen funds for eligible activities.

4 (3) The fund shall expend money deposited in the 21st century
5 jobs trust fund under section 7(1)(c) of the Michigan trust fund
6 act, 2000 PA 489, MCL 12.257, in a fiscal year beginning after
7 September 30, 2025, as follows:

8 (a) 45% for grants to qualified evergreen venture funds and
9 qualified emerging evergreen funds for eligible activities.

10 (b) 30% for deposit in the jobs for Michigan investment fund
11 for investment in or alongside 1 or more qualified venture capital
12 funds as permitted under section 88f.

13 (c) 25% for grants to qualified nonprofits for qualified
14 start-up support services.

15 (4) Money deposited in the 21st century jobs trust fund under
16 section 7(1)(c) of the Michigan trust fund act, 2000 PA 489, MCL
17 12.257, for grants under subsection (2)(a) or (c) or (3)(a) must be
18 awarded by the fund under this section not later than 182 days
19 after the deposit of the money in the 21st century jobs trust fund.
20 The fund shall award grants under subsections (2)(a) and (c) and
21 (3)(a) to all eligible applicants. For all grants made by the fund
22 in a fiscal year under subsection (2)(a) or (3)(a), the total
23 amount of grants provided to qualified evergreen venture funds that
24 invest in 2 or more industry sectors must be not less than 200% of
25 the total amount of grants provided to qualified evergreen venture
26 funds that invest in only 1 industry sector. The fund may enter
27 into grant agreements to ensure compliance with this section. For a
28 grant under subsection (2)(a) or (c) or (3)(a), all of the
29 following apply regarding a grant agreement under this subsection:



1 (a) The grant agreement must require a grant award to be
2 committed by the recipient not later than 10 years after the
3 receipt of the grant by the recipient.

4 (b) The grant agreement may permit not more than 10% of the
5 amount of the grant award to be used for both of the following:

6 (i) Administration of the grant award by the recipient.

7 (ii) Technical assistance related to investments made by the
8 qualified evergreen venture fund or qualified emerging evergreen
9 fund, including, but not limited to, coaching, mentoring, and
10 programming to support business founders.

11 (c) The grant agreement may require a grant award recipient to
12 report annually on its activities under this section on a standard
13 form that is prescribed by the fund and published on its website.
14 Except as otherwise provided in subsection (5), an annual report
15 required under this subdivision must include all of the following
16 information:

17 (i) A list of investments made with grant award proceeds during
18 the immediately preceding calendar year that includes all of the
19 following:

20 (A) The name of the recipient of each investment.

21 (B) The date of each investment.

22 (C) The amount of each investment.

23 (D) The physical address of the recipient of each investment.

24 (E) A description of the type of investment.

25 (F) A description of the industry or economic sector in which
26 the recipient operates.

27 (G) An indication of whether the investment is a new
28 investment in the recipient or a follow-on investment.

29 (H) An indication of the number of jobs created or jobs



1 retained, or both, as a result of the investment.

2 (ii) A summary of expenditures for administration and
3 operations that includes a summary of administrative and
4 operational costs incurred, including, but not limited to, any
5 professional fees and expenses incurred.

6 (d) A grant agreement must include a provision that requires
7 the recipient of the grant to repay to the fund 10% of investment
8 returns for any investment of money using grant proceeds that
9 results in a return of \$50,000,000.00 or more within 10 years of
10 the initial investment of the grant proceeds. Money repaid under
11 this subdivision must be deposited in the 21st century jobs trust
12 fund to award additional grants under subsection (2) (b) or (3) (c).

13 (5) A grant award recipient is not required to provide
14 information in an annual report under subsection (4) (c) if the
15 information is exempt from disclosure under the freedom of
16 information act, 1976 PA 442, MCL 15.231 to 15.246.

17 (6) It is the intent of the legislature that grants and
18 investments under this section are for the public purpose of
19 encouraging economic development and job creation in this state.

20 (7) As used in this section:

21 (a) "Eligible activity" means all of the following:

22 (i) An investment through an investment instrument in an early-
23 stage start-up company that is located in this state and engaged in
24 1 or more competitive edge technologies. As used in this
25 subparagraph, "investment instrument" includes, but is not limited
26 to, convertible notes, simple agreements for future equity (SAFEs),
27 and an equity investment as that term is defined in 12 CFR
28 1805.104.

29 (ii) Technical assistance related to an investment described in



1 subparagraph (i) .

2 (iii) Grants related to the activities described in
3 subparagraphs (i) and (ii) .

4 (b) "Evergreen fund" means an investment plan or program of a
5 Michigan nonprofit corporation that is exempt from taxation under
6 section 501(c)(6) of the internal revenue code of 1986, 26 USC 501,
7 or an investment fund that meets all of the following requirements:

8 (i) Is organized for the purpose of investing in private debt
9 or equity with limited restrictions on or no provision for investor
10 withdrawal and redemption rights.

11 (ii) Operates on an open-end basis without a definitive closing
12 date or fixed end date.

13 (iii) Permits capital to be raised on an ongoing basis and the
14 reinvestment of investment returns.

15 (c) "Qualified emerging evergreen fund" means either of the
16 following:

17 (i) A public institution of higher education or a Michigan
18 nonprofit corporation that is exempt from taxation under section
19 501(c)(3) or (6) of the internal revenue code of 1986, 26 USC 501,
20 that administers, manages, or operates 1 or more evergreen funds if
21 at least 1 of those evergreen funds meets both of the following
22 requirements:

23 (A) Is organized to provide early stage venture capital
24 funding to entities within this state.

25 (B) Has a principal office located in a county with a
26 population of more than 600,000 and less than 700,000.

27 (ii) A Michigan nonprofit corporation that meets both of the
28 following requirements:

29 (A) Is organized for the purpose of enhancing the vitality of



1 the communities affected by this state's Upper Peninsula by
 2 leveraging local resources with capital and expertise and fostering
 3 economic opportunity throughout the area.

4 (B) Administers, manages, or operates 1 or more evergreen
 5 funds.

6 (d) "Qualified evergreen venture fund" means a qualified
 7 higher education institution or a Michigan nonprofit corporation
 8 that is exempt from taxation under section 501(c)(3) or (6) of the
 9 internal revenue code of 1986, 26 USC 501, that administers,
 10 manages, or operates 1 or more evergreen funds if at least 1 of
 11 those evergreen funds meets all of the following requirements:

12 (i) Provides early-stage venture capital funding to entities
 13 within this state.

14 (ii) Has been actively operating in this state for not less
 15 than 3 years.

16 (iii) Has 4 years or more experience in making early-stage
 17 venture capital investments and in mentoring start-up companies.

18 (iv) Before January 1, 2024, has not less than \$15,000,000.00
 19 in deployable capital or invested not less than \$15,000,000.00.

20 (e) "Qualified higher education institution" means an
 21 institution of higher education specified in section 4 of article
 22 VIII of the state constitution of 1963. Qualified higher education
 23 institution also includes both of the following:

24 (i) A Michigan nonprofit corporation that is incorporated under
 25 the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to
 26 450.3192, and meets all of the following requirements:

27 (A) The corporation is incorporated for the purpose of
 28 providing support for the objects and purposes of an institution of
 29 higher education specified in section 5 of article VIII of the



1 state constitution of 1963.

2 (B) The corporation is incorporated for the purpose of
3 assisting in an exclusively educational and charitable manner in
4 the accomplishment of the educational purposes of an institution of
5 higher education specified in section 5 of article VIII of the
6 state constitution of 1963.

7 (C) The name of the corporation or an assumed name of the
8 corporation under section 212(3) of the nonprofit corporation act,
9 1982 PA 162, MCL 450.2212, includes the word "foundation".

10 (ii) A Michigan corporation that is incorporated under the
11 business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098,
12 and meets all of the following requirements:

13 (A) An institution of higher education specified in section 4
14 of article VIII of the state constitution of 1963 is the only
15 shareholder of the corporation and owns all of the shares of the
16 corporation.

17 (B) The name of the corporation or an assumed name of the
18 corporation under section 217 of the business corporation act, 1972
19 PA 284, MCL 450.1217, includes the words "biosciences" and
20 "research".

21 (f) "Qualified nonprofit" means a nonprofit corporation that
22 provides programming, technical assistance, or other support that
23 promotes the growth and development of start-up companies and their
24 founders in this state, and entities in this state that administer,
25 manage, or operate funds that invest in start-up companies in this
26 state.

27 (g) "Qualified start-up support services" means 1 or more of
28 the following:

29 (i) Activity that supports the growth of the venture capital



1 talent pool in this state and the development of the next
2 generation of venture capital fund leadership in this state,
3 including, but not limited to, a venture capital fellows program.

4 (ii) Activity that supports the creation and growth of start-up
5 companies in this state.

6 (iii) Activity that supports the professional development and
7 growth of the founders of start-up companies in this state,
8 including, but not limited to, mentoring and coaching.

9 (iv) Activity that supports the creation, development, and
10 administration in this state of 1 or more regional technology and
11 innovation hubs recognized by the United States Department of
12 Commerce.

13 (h) "21st century jobs trust fund" means the 21st century jobs
14 trust fund established in section 7 of the Michigan trust fund act,
15 2000 PA 489, MCL 12.257.

16 Enacting section 1. This amendatory act does not take effect
17 unless all of the following bills of the 102nd Legislature are
18 enacted into law:

19 (a) House Bill No. 5651.

20 (b) House Bill No. 5652.

