

**SUBSTITUTE FOR
SENATE BILL NO. 580**

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
(MCL 125.2001 to 125.2094) by adding sections 90v and 90w to
chapter 8F.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 90v. (1) Subject to the limitations under section 90u(9),**
2 **an authorized business is eligible to receive withholding tax**
3 **capture revenue payments as provided in this chapter.**

4 **(2) Except as otherwise provided under subsection (3), the**
5 **fund shall issue a withholdings certificate each calendar year to**
6 **an authorized business that states the following:**

7 **(a) That the eligible business is an authorized business.**

8 **(b) The amount of withholding tax capture revenues to be paid**

1 from the H.I.R.E. Michigan fund for the designated calendar year.

2 (c) The authorized business's federal employer identification
3 number or the Michigan treasury number assigned to the authorized
4 business.

5 (3) The fund shall provide the department of treasury with a
6 copy of each withholdings certificate issued under this section. On
7 receipt of a withholdings certificate, an authorized business may
8 request a payment from the H.I.R.E. Michigan fund by filing a copy
9 of the withholdings certificate with the fund. The fund shall issue
10 the withholding tax capture revenue payment from the H.I.R.E.
11 Michigan fund not later than 90 days after receipt of the request
12 for payment from the authorized business.

13 (4) If the authorized business subsequently fails to satisfy
14 and maintain the minimum number of certified new jobs as required
15 under this chapter or any other conditions included in the written
16 agreement, the authorized business forfeits its withholding tax
17 capture revenue payment for the calendar year that the authorized
18 business fails to comply with this chapter or the written
19 agreement. The forfeiture of a withholding tax capture revenue
20 payment under this subsection does not extend the duration of the
21 original written agreement. Accordingly, if the duration of the
22 written agreement has not expired, an authorized business that
23 satisfies all of the terms of the written agreement after a
24 forfeiture under this subsection is entitled to certification for
25 withholding tax capture revenue payments for those subsequent
26 calendar years.

27 (5) In the event of a proposed reorganization, merger, or
28 other change of ownership of the authorized business for which
29 reimbursement will continue pursuant to a written agreement, the

1 approval of the fund is required before the assignment or transfer
2 of the written agreement.

3 (6) As a condition of being an authorized business, an
4 authorized business authorizes the fund to identify the authorized
5 business and disclose the amount and duration of the withholding
6 tax capture revenue payments. The fund shall publish the
7 information described in this subsection on the fund's website and
8 include this information in the report required under section 9.

9 Sec. 90w. (1) The high-wage incentive for regional employment
10 in (H.I.R.E.) Michigan fund is created in the state treasury.

11 (2) The state treasurer shall deposit money and assets
12 received under section 51f of the income tax act of 1967, 1967 PA
13 281, MCL 206.51f, or from any other source in the H.I.R.E. Michigan
14 fund. The state treasurer shall direct the investment of money in
15 the H.I.R.E. Michigan fund and credit interest and earnings from
16 the investments to the H.I.R.E. Michigan fund.

17 (3) Money in the fund at the close of the fiscal year remains
18 in the fund and does not lapse to the general fund.

19 (4) The fund is the administrator of the H.I.R.E. Michigan
20 fund for audits of the H.I.R.E. Michigan fund.

21 (5) The fund shall expend money from the H.I.R.E. Michigan
22 fund, on appropriation, only to make withholding tax capture
23 revenue payments in accordance with a written agreement to an
24 authorized business within 90 days after receipt of a request for
25 payment and a copy of the withholding certificate issued under
26 section 90v.

27 Enacting section 1. This amendatory act does not take effect
28 unless Senate Bill No. 579 of the 102nd Legislature is enacted into
29 law.