

# Legislative Analysis

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## LIFE SCIENCE PIPELINE

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**Senate Bill 359 (Substitute H-2)**

**Sponsor: Sen. Valde Garcia**

**House Committee: Commerce**

**Senate Committee: Commerce and Labor**

**Complete to 8-31-05**

## A SUMMARY OF SENATE BILL 359 AS REPORTED FROM HOUSE COMMITTEE

The bill would amend the Strategic Fund Act to require the Strategic Fund to establish a Michigan Life Science Pipeline to promote the development of businesses engaged in providing goods and services related to the development and commercialization of life sciences. The "Pipeline" would begin operations no later than June 1, 2006.

The Strategic Fund would be required to select a person or entity to operate the Pipeline by issuing a request for proposal. The person or entity chosen would have to demonstrate an ability to coordinate translational life science research initiatives; have a proven ability to assist life science start-up companies; demonstrate marketing ability; coordinate or operate programs with a history of ongoing independent peer review; and submit a plan for operating the Pipeline.

The Pipeline would be required to:

\*\* recruit Michigan-based companies involved in life science research and commercialization and related goods and services to affiliate themselves with the Pipeline as members;

\*\* market the services of the Pipeline, its members and life science research and commercialization in Michigan to develop and increase the amount of business activity for Pipeline members;

\*\* otherwise assist members of the Pipeline in developing life science research and commercialization activities;

\*\* Maintain and make available a list of members of the Pipeline and the services they provide; and

\*\* Charge Pipeline members a reasonable fee based on the services provided by the Pipeline.

When making awards to recipients, the Strategic Fund and the Fund Board would have to provide additional weighting to an applicant that demonstrates a commitment to utilize or collaborate with a Pipeline member when procuring goods or services.

The bill is tie-barred to Senate Bill 533 and to House Bills 4972, 4973, 5047, 5048, 5108, and 5109. These bills are part of a package that deal with the promotion of competitive edge technology businesses, the sale and securitization of tobacco settlement revenues, and business tax restructuring.

**FISCAL IMPACT:**

As mentioned earlier, this bill is part of a package of bills related to the promotion of competitive edge technology businesses and the sale and securitization of tobacco settlement revenues. Discussions are continuing as to the final form of the proposal. As a result, the fiscal impact of Senate Bill 359 is indeterminate at this time.

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