

SENATE BILL No. 294

March 3, 2009, Introduced by Senators ANDERSON, GLEASON, PRUSI, SWITALSKI, BRATER, JACOBS, OLSHOVE, HUNTER, WHITMER, CHERRY, BARCIA, SCOTT and CLARK-COLEMAN and referred to the Committee on Commerce and Tourism.

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 (B) CONTRACT WITH BUSINESSES THAT AGREE TO HIRE ONLY RESIDENTS
23 OF THIS STATE TO WORK ON PROJECTS, ECONOMIC DEVELOPMENT PROJECTS,
24 OR FACILITIES THAT ARE CONSTRUCTED WITH A LOAN OR GRANT PROVIDED
25 UNDER CHAPTER 8A UNLESS THE BOARD DETERMINES THAT THE PROJECT,
26 ECONOMIC DEVELOPMENT PROJECT, OR FACILITIES THAT ARE CONSTRUCTED
27 WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A CANNOT BE

1 CONSTRUCTED BY USING ONLY RESIDENTS OF THIS STATE FOR 1 OR MORE OF
2 THE FOLLOWING:

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

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

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

11 (A) A REQUIREMENT THAT THE APPLICANT'S FINANCING, LOAN, OR
12 GRANT IS REVOKED UNDER THIS ACT IF THE APPLICANT IS DETERMINED TO
13 BE IN VIOLATION OF SUBSECTIONS (2) OR (3), AS DETERMINED BY THE
14 BOARD.

15 (B) A REQUIREMENT THAT THE APPLICANT MAY BE REQUIRED TO REPAY
16 SOME OR ALL OF THE BENEFITS RECEIVED UNDER THIS ACT IF THE
17 APPLICANT IS DETERMINED TO BE IN VIOLATION OF THE PROVISIONS OF
18 SUBSECTIONS (2) OR (3), AS DETERMINED BY THE BOARD.

19 (5) NOT LATER THAN FEBRUARY 1 EACH YEAR, THE BOARD SHALL
20 REPORT TO EACH HOUSE OF THE LEGISLATURE ON THE ACTIVITIES FOR THE
21 IMMEDIATELY PRECEDING FISCAL YEAR. THE REPORT SHALL CONTAIN ALL OF
22 THE FOLLOWING:

23 (A) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN NEW JOBS FROM
24 PROJECTS, ECONOMIC DEVELOPMENT PROJECTS, OR FACILITIES CONSTRUCTED
25 WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A IN THE IMMEDIATELY
26 PRECEDING YEAR.

27 (B) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN NEW JOBS AND

1 THE NUMBER OF NEW JOBS CREATED FROM OTHER ECONOMIC DEVELOPMENT
2 INITIATIVES THAT ARE REQUIRED TO BE REPORTED TO THE BOARD.

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

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

7 Enacting section 1. This amendatory act does not take effect
8 unless House Bill No. 4087
9 of the 95th Legislature is enacted into law.