

HOUSE BILL NO. 4491

May 13, 2025, Introduced by Reps. Rigas, Johnsen, Alexander, Greene, Woolford, Pavlov, Markkanen, Thompson, DeSana, Kunse, Bierlein, Linting and DeBoyer and referred to Committee on Government Operations.

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending sections 88s and 88t (MCL 125.2088s and 125.2088t),
section 88s as added by 2021 PA 136 and section 88t as added by
2021 PA 134, and by adding section 7c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 7c. (1) The fund shall develop a hiring and promotional**
2 **practices form that requires the person submitting the form to**
3 **attest, under penalty of perjury and subject to a civil fine of**

1 \$5,000.00 as described in subsection (2), to all of the following:

2 (a) The person uses only hiring practices based on the merit
3 of prospective employees.

4 (b) The person uses only internal promotional schemes based on
5 the merit of internal employees.

6 (c) The person will use only hiring practices and internal
7 promotional schemes based on the merit of prospective employees and
8 internal employees for a period of 5 years or the duration of the
9 written agreement with the fund, whichever is greater.

10 (2) A person that makes a false attestation in a hiring and
11 promotional practices form is both of the following:

12 (a) Guilty of perjury under section 423 of the Michigan penal
13 code, 1931 PA 328, MCL 750.423.

14 (b) Subject to a civil fine of \$5,000.00.

15 (3) As used in this section:

16 (a) "Hiring and promotional practices form" means the form
17 developed by the fund under subsection (1).

18 (b) "Merit" means a reasonable expectation, based on objective
19 criteria such as experience, education, and training, that a
20 prospective employee can adequately perform the duties of the job.

21 Sec. 88s. (1) The fund shall create and operate the critical
22 industry program. The fund shall use money transferred from the
23 strategic outreach and attraction reserve fund created in section 4
24 of the Michigan trust fund act, 2000 PA 489, MCL 12.254, or money
25 appropriated to the program to make qualified investments to
26 qualified businesses.

27 (2) The fund shall expend money allocated to the Michigan
28 critical industry program only to provide qualified investments to
29 qualified businesses for deal-closing, gap financing, or other

1 economic assistance to create or retain qualified jobs as a result
2 of a technological shift in product or production or make capital
3 investments, or both, as determined by the fund board. The program
4 must provide for a detailed application, approval, and compliance
5 process that is also published and available on the fund's website.

6 (3) The fund shall consider and document at a minimum all of
7 the following criteria to the extent reasonably applicable as
8 reasonably determined by the fund board to the type of project
9 proposed before entering into a written agreement for a qualified
10 investment as provided under subsection (4):

11 (a) The importance of the project to the community in which it
12 is located.

13 (b) If the project will act as a catalyst for additional
14 revitalization of the community in which it is located and this
15 state.

16 (c) The amount of local community and financial support for
17 the project.

18 (d) The applicant's financial need for a qualified investment
19 from the critical industry program.

20 (e) The extent of reuse of vacant buildings, public or
21 private, reuse of historic resources, and redevelopment of blighted
22 property.

23 (f) Creation or retention of qualified jobs as a result of a
24 technological shift in product or production at the project
25 location and within this state.

26 (g) The level of other public funds including, but not limited
27 to, the appropriation of federal or state funds and any federal or
28 state tax credits.

29 (h) The level of any private funds, investments, or

1 contributions into the project including, but not limited to, the
2 qualified business's own investments in the project.

3 (i) Whether and how the project is financially and
4 economically sound.

5 (j) Whether and how the project promotes sustainable
6 development.

7 (k) Whether and how the project involves the rehabilitation of
8 a historic resource.

9 (l) Whether and how the project addresses areawide
10 redevelopment and the overall economic benefit to the existing
11 supply chain.

12 (m) The level and extent of environmental contamination.

13 (n) Whether and how the project will compete with or affect
14 existing Michigan businesses within the same industry.

15 (o) Whether and how the project's proximity to rail and
16 utility will impact performance of the project and maximize energy
17 and logistics needs in the community in which it is located and in
18 this state.

19 (p) The risk of obsolescence of the project, products, and
20 investments in the future.

21 (q) The overall return on investment to this state.

22 (r) Whether and how the project addresses food supply
23 challenges.

24 (s) Any other additional criteria approved by the board that
25 are specific to each individual project and are consistent with the
26 purpose of this program.

27 (4) If the fund determines, after making the considerations
28 under subsection (3), to award a qualified investment to a
29 qualified business under this program, the fund shall enter into a

1 written agreement with the qualified business that includes in a
2 clear and concise manner all of the terms and conditions relating
3 to the qualified investment as determined and documented by the
4 fund board, including, but not limited to, the following:

5 (a) Specific time frames and benchmarks to be met before the
6 qualified business receives a disbursement in installments under
7 the critical industry program pursuant to the approved qualified
8 investment.

9 (b) Specific terms relating to the required creation or
10 retention of qualified jobs as a result of a technological shift in
11 product or production at the project location and within this
12 state, including measurable outcomes, proration of payments for
13 partial performance, clawback and specific repayment provisions for
14 breach of the agreement, or for failure to meet measurable
15 outcomes.

16 (c) Specific penalties for noncompliance with the written
17 agreement as determined by the fund.

18 (d) A provision that all money that is subject to a clawback
19 or required to be repaid under a specific repayment provision must
20 be paid within 90 days of notification by the fund. Any amounts not
21 paid within that 90-day period are subject to a penalty of 1% per
22 month, prorated on a daily basis.

23 (e) A provision that this state shall have a security interest
24 as **that term is** defined in section ~~1201(2)(ii)~~ **1201** of the uniform
25 commercial code, 1962 PA 174, MCL 440.1201, to the extent of the
26 qualified investment. This provision does not apply if it conflicts
27 with any contractual obligation of the qualified business or any
28 federal or state bankruptcy or insolvency laws.

29 (f) A provision that the qualified business will provide the

1 data described in the written agreement that are necessary for the
2 fund to report to the legislature as required under this program.

3 (g) A provision that the qualified business may enter into
4 direct agreements with workforce training providers, when
5 appropriate, as determined by the fund to meet the workforce
6 requirements of a qualified investment.

7 (5) If the fund receives a request to modify an existing
8 written agreement for a qualified investment under this program,
9 the fund must provide a copy of that requested modification to each
10 member of the legislature, the governor, the clerk of the house of
11 representatives, the secretary of the senate, and the senate and
12 house fiscal agencies within 5 business days ~~of~~**after** the receipt
13 of the modification request. In addition to the copy of the request
14 for modification, the notice provided under this subsection must
15 also include the specific provisions to be modified and the
16 rationale for considering the modification. Before the fund
17 modifies an existing written agreement for a qualified investment,
18 the fund must give notice of the proposed amendments and publish
19 them on the fund's internet website at least 1 business day ~~prior~~
20 ~~to~~**before** a public hearing on the proposed amendments. If the fund
21 approves and modifies an existing written agreement under this
22 subsection, the fund must provide a copy of that amended written
23 agreement to each member of the legislature, the governor, the
24 clerk of the house of representatives, the secretary of the senate,
25 and the senate and house fiscal agencies within 1 business day of
26 the modification.

27 ~~(6) If the fund board seeks to make a determination as to~~**In**
28 **determining** whether a qualified investment approved under this
29 program represents a fair exchange of value for value, the fund may

1 consider the total value to this state of the qualified investment
2 and the best interests of this state, including, but not limited
3 to, any positive economic impact to this state likely to be
4 generated by the qualified business pursuant to the written
5 agreement for a qualified investment, especially economic impact
6 resulting in the location of a high-economic-impact business
7 facility in this state, increased capital investment in this state,
8 and the creation or retention of qualified jobs as a result of a
9 technological shift in product or production in this state.

10 (7) The fund board shall not disburse funds allocated to the
11 program for a qualified investment to a qualified business if that
12 qualified business has not fully repaid all money subject to
13 clawback or required to be repaid under a specific repayment
14 provision as provided in any written agreement under this act or if
15 that qualified business is in default on any grant, loan,
16 investment, or other economic assistance made or guaranteed by this
17 state. All money paid to the fund pursuant to a clawback or
18 specific repayment provision for a qualified investment under this
19 program ~~shall~~**must** be deposited in the strategic outreach and
20 attraction reserve fund created in section 4 of the Michigan trust
21 fund act, 2000 PA 489, MCL 12.254. The fund shall not use money
22 allocated to the program for administrative purposes. Any money
23 that is allocated to the program that remains unexpended,
24 unallocated, or unobligated at the end of a fiscal year ~~shall~~
25 ~~revert~~**reverts** back to the strategic outreach and attraction
26 reserve fund created in section 4 of the Michigan trust fund act,
27 2000 PA 489, MCL 12.254.

28 (8) Not later than March 15 of each year, the fund shall
29 transmit to each member of the legislature, the governor, the clerk

1 of the house of representatives, the secretary of the senate, and
2 the senate and house fiscal agencies a report on the activities of
3 the critical industry program. The report must include **all of** the
4 following:

5 (a) A list of qualified businesses that received a qualified
6 investment.

7 (b) The type of project or product approved for a qualified
8 investment.

9 (c) The amount and type of qualified investment.

10 (d) For each separate form of qualified investment, all of the
11 following:

12 (i) The number of qualified jobs committed or projected to be
13 created or retained as a result of a technological shift in product
14 or production when the qualified investment was applied for.

15 (ii) The actual number of qualified jobs created or retained as
16 a result of a technological shift in product or production that are
17 not temporary employees.

18 (iii) The average annual salary of the qualified jobs created or
19 retained as a result of a technological shift in product or
20 production that are not temporary employees.

21 (e) The duration of the qualified investment.

22 (f) The amount of other financial assistance other than state
23 resources.

24 (g) Money or other revenue or property returned to the
25 strategic outreach and attraction reserve fund, created in section
26 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254,
27 including any clawbacks and repayments due to a breach of the
28 written agreement.

29 (9) If the fund fails to transmit the report as required in

1 subsection (8) on or before March 15, the fund board shall not
2 disburse funds for a qualified investment under this program until
3 it transmits the report as required under subsection (8).

4 (10) The legislature finds and declares that funding provided
5 under this program is for a public purpose and serves the health,
6 safety, and general welfare of the residents of this state.

7 (11) Beginning on the effective date of the amendatory act
8 that added section 7c, when a qualified business submits an
9 application under this section, the qualified business must submit
10 a hiring and promotional practices form that is executed by the
11 qualified business and attests that the qualified business uses
12 only hiring practices and internal promotional schemes based on the
13 merit of prospective employees and internal employees and will use
14 only hiring practices and internal promotional schemes based on the
15 merit of prospective employees and internal employees for a period
16 of 5 years or the duration of the written agreement, whichever is
17 greater.

18 (12) The fund shall not enter into a written agreement with a
19 qualified business on or after the effective date of the amendatory
20 act that added section 7c if 1 or more of the following apply:

21 (a) The qualified business uses hiring practices based on
22 criteria other than the merit of the prospective employees.

23 (b) The qualified business uses internal promotional schemes
24 based on criteria other than the merit of the internal employees.

25 (c) The qualified business does not agree to use only hiring
26 practices and internal promotional schemes based on the merit of
27 prospective employees and internal employees for a period of 5
28 years or the duration of the written agreement, whichever is
29 greater.

1 **(d) The qualified business does not submit the hiring and**
 2 **promotional practices form in accordance with subsection (11).**

3 **(13) ~~(11)~~**As used in this section:

4 (a) "Critical industry program" or "program" means the
 5 critical industry program created ~~in~~**under** subsection (1).

6 **(b) "Hiring and promotional practices form" means that term as**
 7 **defined in section 7c.**

8 **(c) "Merit" means that term as defined in section 7c.**

9 **(d) ~~(b)~~**"Qualified business" means a business that is located
 10 in or operates in this state or will locate or will operate in this
 11 state as determined by the fund board. A qualified business may
 12 include more than 1 business as determined by the fund board.

13 **(e) ~~(c)~~**"Qualified investment" means a grant, loan, or other
 14 economic assistance for a project subject to a written agreement
 15 with a qualified business under this program. Qualified investment
 16 includes a grant, loan, or other economic assistance for creation
 17 or retention of qualified jobs as a result of a technological shift
 18 in product or production, infrastructure improvements, other
 19 capital investments, the purchase or acquisition of heavy
 20 machinery, or other assistance, including, but not limited to, an
 21 agreement providing for assistance via the transportation economic
 22 development fund created under section 2 of 1987 PA 231, MCL
 23 247.902. Qualified investment also includes a grant, loan, or other
 24 economic assistance for job training opportunities or workforce
 25 development and education, or both.

26 **(f) ~~(d)~~**"Qualified job" means a job performed by an individual
 27 who is a resident of this state whose Michigan income taxes are
 28 withheld by an employer, or an employee leasing company or
 29 professional employer organization on behalf of the employer, or by

1 an individual who is not a resident of this state and is employed
2 by a business at a project location that is located in this state,
3 as determined and verified by the fund.

4 **(g) "Written agreement" means a written agreement entered into**
5 **by the fund with a qualified business under subsection (4) .**

6 Sec. 88t. (1) The fund shall create and operate the Michigan
7 strategic site readiness program. The fund shall use the program
8 money transferred from the strategic outreach and attraction
9 reserve fund created in section 4 of the Michigan trust fund act,
10 2000 PA 489, MCL 12.254, or money appropriated to the program to
11 make grants, loans, or other economic assistance under this
12 program.

13 (2) The fund shall expend money allocated to the Michigan
14 strategic site readiness program only to provide grants, loans, and
15 other economic assistance for eligible applicants to conduct
16 eligible activities for the purpose of creating investment-ready
17 sites to attract and promote investment in this state for eligible
18 activities on, or related to, strategic sites and mega-strategic
19 sites. The program must provide for a detailed application,
20 approval, and compliance process that is also published and
21 available on the fund's website. The detailed application,
22 approval, and compliance process must, at a minimum, provide for
23 all of the following:

24 (a) An eligible applicant may apply for a grant, loan, or
25 other economic assistance in a form and manner determined by the
26 fund.

27 (b) The fund shall establish separate application criteria for
28 mega-strategic sites and for strategic sites that are not mega-
29 strategic sites and for sites that have, and that do not have, a

1 specifically identified end user.

2 (3) Before approving an application under this section, the
3 fund shall consider and document, at a minimum, all of the
4 following criteria to the extent reasonably applicable as
5 reasonably determined by the fund board to the type of project
6 proposed before entering into a written agreement for a grant,
7 loan, or other economic assistance as provided under this program:

8 (a) The importance of the project or eligible activities to
9 the community in which it is located.

10 (b) If the project will act as a catalyst for additional
11 revitalization of the community in which it is located and this
12 state.

13 (c) The amount of local community and financial support for
14 the project.

15 (d) The amount of any other economic assistance or support
16 provided by this state for the project.

17 (e) The amount of any other economic assistance or support
18 provided by the federal government for the project including, but
19 not limited to, federal appropriations or tax credits.

20 (f) The amount of any private funds or investments for the
21 project including the applicant's own investments in the project.

22 (g) The applicant's financial need for a grant, loan, or other
23 economic assistance under this program.

24 (h) The extent of reuse of vacant buildings, public or
25 private, reuse of historic resources, and redevelopment of blighted
26 property.

27 (i) Creation or retention of qualified jobs as a result of a
28 technological shift in product or production at the project
29 location and within this state.

1 (j) Whether and how the project is financially and
2 economically sound.

3 (k) Whether and how the project converts abandoned public
4 buildings to private use.

5 (l) Whether and how the project promotes sustainable
6 development.

7 (m) Whether and how the project involves the rehabilitation of
8 a historic resource.

9 (n) Whether and how the project addresses areawide
10 redevelopment.

11 (o) Whether and how the project addresses underserved markets
12 of commerce.

13 (p) The level and extent of environmental contamination.

14 (q) Whether and how the project will compete with or affect
15 existing Michigan businesses within the same industry.

16 (r) Whether and how the project's proximity to rail and
17 utility will impact performance of the project and maximize energy
18 and logistics needs in the community in which it is located and in
19 this state.

20 (s) The risk of obsolescence of the project, products, and
21 investments in the future.

22 (t) The overall return on investment to this state.

23 (u) Whether the proposed strategic site or mega-strategic site
24 is incorporated into a strategic plan of a political subdivision of
25 this state.

26 (v) Any other additional criteria approved by the fund board
27 that are specific to each individual project and are consistent
28 with the purpose of this program.

29 (4) If the fund determines, after the considerations under

subsection (3), to provide a grant, loan, or other economic assistance to an eligible applicant under this program, the fund shall enter into a written agreement with the eligible applicant that includes in a clear and concise manner all of the terms and conditions related to the grant, loan, or other economic assistance as determined and documented by the fund board, including, but not limited to, the following:

(a) Specific dates and benchmarks for the eligible applicant to receive a grant, loan, or other economic assistance under this program, including conditions for the disbursement of funds in installments.

(b) For a grant, loan, or other economic assistance provided to a person identified as the end user of the site, a clawback and specific repayment provision if the person fails to comply with the provisions of the written agreement.

(c) A provision that all money that is subject to clawback or required to be repaid under a specific repayment provision must be paid within 90 days of notification by the fund. Any amounts not paid within that 90-day period are subject to a penalty of 1% per month, prorated on a daily basis.

(d) A provision that this state shall have a security interest as **that term is** defined in section ~~1201(2)(ii)~~ **1201** of the uniform commercial code, 1962 PA 174, MCL 440.1201, to the extent of the grant, loan, or other economic assistance provided under this program. This provision does not apply if it conflicts with any contractual obligation of the eligible applicant or any federal or state bankruptcy or insolvency laws.

(e) An audit provision that requires the fund to verify that the established benchmarks for the project have been met.

1 (5) In addition to the considerations under subsection (3), in
2 determining whether to approve a grant, loan, or other economic
3 assistance for a strategic site for which an end user has not been
4 specifically identified, the fund shall consider and document, as
5 reasonably determined by the fund board, at a minimum all of the
6 following:

7 (a) The degree to which the proposed site demonstrates a high
8 level of competitiveness for future development, considering and
9 documenting all of the following:

10 (i) Whether the proposed site is currently assembled.

11 (ii) Whether the proposed site is under site control.

12 (iii) Whether the proposed site is of a size, configuration,
13 location, and condition that makes the site substantially ready for
14 marketing and competitive for development ~~upon~~**on** completion of the
15 grant, loan, or other economic assistance proposed to be offered
16 under this program and demonstrated matching contributions.

17 (b) Whether the proposed investment will result in the
18 elimination of blight and the remediation of environmental
19 contamination.

20 (c) The degree of local matching contributions.

21 (d) Whether the award will promote geographic equity in the
22 distribution of funds between different areas of this state.

23 (e) Whether the eligible applicant has pursued all available
24 cost-containment measures.

25 (6) In determining whether to approve a grant, loan, or other
26 economic assistance for a mega-strategic site for which an end user
27 has not been specifically identified, the fund shall consider and
28 document, in addition to the criteria in subsections (3) and
29 (5)(a), at a minimum all of the following criteria related to the

1 strategic basis for the investment and feasibility of the
2 investment:

3 (a) Whether the proposed mega-strategic site is supported by a
4 strategic analysis that supports the demand for that site.

5 (b) The feasibility of proposed land acquisition.

6 (c) Utility and transportation availability, and the
7 feasibility of necessary utility and transportation improvements.

8 (d) Workforce availability and training capability.

9 (e) Environmental and topographical conditions, and the
10 feasibility of necessary site improvements to address environmental
11 and topographical conditions.

12 (7) In addition to the considerations under subsection (3), in
13 determining whether to approve a grant, loan, or other economic
14 assistance for a project for which an end user has been
15 specifically identified, the fund shall consider and document, as
16 reasonably determined by the fund board, all of the following:

17 (a) The strategic economic importance of the project to the
18 community in which it is located and to this state.

19 (b) Whether the financial assistance is needed to secure the
20 project in this state.

21 (c) The degree to which the project is a priority for the
22 local governmental unit or local economic development corporation
23 in the jurisdiction of which the site is located.

24 (d) The level of creation or retention of qualified jobs as a
25 result of a technological shift in product or production.

26 (e) Whether the qualified jobs created or retained as a result
27 of a technological shift in product or production equal or exceed
28 the average wage for the county in which the project is located.

29 (f) The level of capital investment.

1 (g) The evidence of the end user's commitment to the site.

2 (8) If the fund receives a request to modify an existing
3 written agreement for a grant, loan, or other economic assistance
4 under this program, the fund must provide a copy of that requested
5 modification to each member of the legislature, the governor, the
6 clerk of the house of representatives, the secretary of the senate,
7 and the senate and house fiscal agencies within 5 business days ~~of~~
8 **after** the receipt of the modification request. In addition to the
9 copy of the request for modification, the notice provided under
10 this subsection must also include the specific provisions to be
11 modified and the rationale for considering the modification. Before
12 the fund modifies an existing written agreement for a grant, loan,
13 or other economic assistance under this program, the fund must give
14 notice of the proposed amendments and publish them on the fund's
15 internet website at least 1 business day ~~prior to~~ **before** a public
16 hearing on the proposed amendments. If the fund approves and
17 modifies an existing written agreement under this subsection, the
18 fund must provide a copy of that amended written agreement to each
19 member of the legislature, the governor, the clerk of the house of
20 representatives, the secretary of the senate, and the senate and
21 house fiscal agencies within 1 business day of the modification.

22 (9) In making an award for a mega-strategic site under this
23 program that does not have a specifically identified end user, the
24 fund, working in collaboration with the eligible applicant, shall
25 prepare a mega-strategic site investment strategy and spending plan
26 that details the sequence and cost of anticipated investments in
27 the selected mega-strategic site, the benchmarks for bringing the
28 mega-strategic site to a marketable condition, and the marketing
29 strategy for the mega-site. Each plan must have the objective of

1 establishing a certified mega-strategic site under a nationally
2 recognized third-party certification program.

3 (10) The fund shall post on its website or post on the website
4 of the Michigan economic development corporation, not less than
5 every 3 months, the name of the eligible applicant or applicants,
6 the location of each site that received a grant, loan, or other
7 economic assistance under this program in that period, and the
8 amount of the grant, loan, or other economic assistance.

9 (11) Notwithstanding anything to the contrary in this section,
10 the program may make grants and provide technical assistance to
11 local economic development corporations for the purpose of creating
12 an inventory of development-ready sites, ~~provided that if~~ the
13 inventory ~~shall utilize~~ **utilizes** nationally recognized criteria to
14 identify the readiness of those sites for investment, and ~~provided~~
15 ~~further that if~~ the fund ~~shall maintain~~ **maintains** a comprehensive
16 inventory of those sites on its website. The inventory maintained
17 on the website ~~shall~~ **must** include in an interactive and user-
18 friendly manner a listing of all local and state development-ready
19 sites and any pictures, maps, and other documentation related to
20 those sites.

21 (12) The fund board shall not disburse money from the program
22 for a grant, loan, or other economic assistance to an eligible
23 applicant if that eligible applicant has not fully repaid all money
24 subject to clawback or required to be repaid under a specific
25 repayment provision as provided in any written agreement under this
26 act or if that eligible applicant is in default on any grant, loan,
27 or other economic assistance made or guaranteed by this state. All
28 money paid to the fund pursuant to a clawback or specific repayment
29 provision for a grant, loan, or other economic assistance under

1 this program shall be deposited in the strategic outreach and
2 attraction reserve fund created in section 4 of the Michigan trust
3 fund act, 2000 PA 489, MCL 12.254. The fund shall not use money
4 allocated to the program for administrative purposes. Any money
5 that is allocated to the program that remains unexpended,
6 unallocated, or unobligated at the end of the fiscal year ~~shall~~
7 ~~revert~~**reverts** back to the strategic outreach and attraction
8 reserve fund created in section 4 of the Michigan trust fund act,
9 2000 PA 489, MCL 12.254.

10 (13) Not later than March 15 of each year, the fund shall
11 transmit to each member of the legislature, the governor, the clerk
12 of the house of representatives, the secretary of the senate, and
13 the senate and house fiscal agencies a report on the activities of
14 the Michigan strategic site readiness fund. The report must include
15 **all of** the following:

16 (a) A list of eligible applicants that received a grant, loan,
17 or other economic assistance.

18 (b) The type of project or eligible activities approved for an
19 award under this program.

20 (c) The amount and type of each award.

21 (d) The duration of the grant, loan, or other economic
22 assistance.

23 (e) The amount of other financial assistance other than state
24 resources.

25 (f) Money or other revenue or property returned to the
26 strategic outreach and attraction reserve fund, including any
27 clawbacks and repayments due to a breach of the written agreement.

28 (14) If the fund fails to transmit the report as required in
29 subsection (13) on or before March 15, the fund board shall not

1 disburse money for a grant, loan, or other economic assistance
2 under this program until it transmits the report as required under
3 subsection (13).

4 (15) The legislature finds and declares that funding provided
5 under this program is for a public purpose and serves the health,
6 safety, and general welfare of the residents of this state.

7 (16) Beginning on the effective date of the amendatory act
8 that added section 7c, when an eligible applicant submits an
9 application under this section, the eligible applicant must do 1 of
10 the following:

11 (a) If a specific person has been identified as the end user
12 of the site, submit a hiring and promotional practices form that is
13 executed by the end user and attests that the end user uses only
14 hiring practices and internal promotional schemes based on the
15 merit of prospective employees and internal employees and will use
16 only hiring practices and internal promotional schemes based on the
17 merit of prospective employees and internal employees for a period
18 of 5 years or the duration of the written agreement, whichever is
19 greater.

20 (b) If a specific person has not been identified as the end
21 user of the site, attest in the form and manner prescribed by the
22 fund, under penalties of perjury and subject to a civil fine of
23 \$5,000.00 in the same manner as described in section 7c, that the
24 eligible applicant will require any end user of the site to use
25 only hiring practices based on the merit of prospective employees,
26 to use only internal promotional schemes based on the merit of
27 internal employees, and to continue to use only hiring practices
28 and internal promotional schemes based on the merit of prospective
29 employees and internal employees for a period of 5 years or the

1 duration of the written agreement, whichever is greater.

2 (17) The fund shall not enter into a written agreement with
3 respect to a site on or after the effective date of the amendatory
4 act that added section 7c if 1 or more of the following apply:

5 (a) A specific person has been identified as the end user of
6 the site and that end user uses hiring practices based on criteria
7 other than the merit of the prospective employees.

8 (b) A specific person has been identified as the end user of
9 the site and that end user uses internal promotional schemes based
10 on criteria other than the merit of the internal employees.

11 (c) A specific person has been identified as the end user of
12 the site and the end user does not agree to use only hiring
13 practices and internal promotional schemes based on the merit of
14 prospective employees and internal employees for a period of 5
15 years or the duration of the written agreement, whichever is
16 greater.

17 (d) A specific person has been identified as the end user of
18 the site and a hiring and promotional practices form executed by
19 that end user is not submitted in accordance with subsection
20 (16) (a).

21 (e) A specific person has not been identified as the end user
22 of the site and the eligible applicant will not require any end
23 user of the site to use only hiring practices and internal
24 promotional schemes based on the merit of prospective employees and
25 internal employees and to continue to use only hiring practices and
26 internal promotional schemes based on the merit of prospective
27 employees and internal employees for a period of 5 years or the
28 duration of the written agreement with the fund, whichever is
29 greater.

(f) A specific person has not been identified as the end user of the site and the eligible applicant does not submit the attestation described in subsection (16) (b) .

(18) ~~(16)~~—As used in this section:

(a) "Eligible activities" means, with respect to a site that is the subject of an application under this program, 1 or more of the following:

(i) Land acquisition and assembly.

(ii) Site preparation and improvement.

(iii) Infrastructure improvements that directly benefit the site, including, but not limited to, transportation infrastructure, water and wastewater infrastructure, and utilities necessary to service the site.

(iv) Any demolition, construction, alteration, rehabilitation, or improvement of buildings on the site.

(v) Environmental remediation.

(vi) Architectural, engineering, surveying, and similar professional fees.

(b) "Eligible applicant" means an applicant that is 1 or more of the following:

(i) A political subdivision of this state, including, but not limited to, a county, city, village, township, charter township, or instrumentality of a county, city, village, township, or charter township.

(ii) A local economic development corporation or similar entity.

(iii) A person who is the owner of the site for which the improvements are proposed, but who is not the end user of that site, ~~provided that if that person must apply~~ **applies** jointly with

1 an applicant under subparagraph (i) or (ii).

2 (iv) In the case of an application for a site for which a
3 specific person has been identified as the end user, the person
4 that is or will be the end user of that site.

5 (c) "End user" means the person, either directly or through an
6 affiliate, that will establish and operate the manufacturing or
7 other commercial enterprise that constitutes the end use of the
8 improved site.

9 (d) **"Hiring and promotional practices form" means that term as**
10 **defined in section 7c.**

11 (e) ~~(d)~~—"Mega-strategic site" means a strategic site that is
12 or will be used for a large industrial project.

13 (f) **"Merit" means that term as defined in section 7c.**

14 (g) ~~(e)~~—"Michigan strategic site readiness program" or
15 "program" means the Michigan strategic site readiness program
16 created ~~in~~**under** subsection (1).

17 (h) ~~(f)~~—"Qualified job" means a job performed by an individual
18 who is a resident of this state whose Michigan income taxes are
19 withheld by an employer, or an employee leasing company or
20 professional employer organization on behalf of the employer, or by
21 an individual who is not a resident of this state and is employed
22 by a business at a project location that is located in this state,
23 as determined and verified by the fund.

24 (i) ~~(g)~~—"Strategic site" means a site, whether publicly or
25 privately owned, that is, or subsequent to a proposed acquisition
26 will be, used for manufacturing or other commercial use.

27 (j) **"Written agreement" means a written agreement entered into**
28 **by the fund with an eligible applicant under subsection (4).**