

SENATE BILL NO. 663

October 30, 2025, Introduced by Senator ALBERT and referred to Committee on Government Operations.

A bill to amend 2006 PA 317, entitled

"An act to create certain entities in the Michigan strategic fund; to impose certain duties and responsibilities on those entities and on certain state employees and public employees; and to repeal acts and parts of acts,"

by amending the title and section 2 (MCL 125.1972), as amended by 2010 PA 337.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE
2 An act to create certain entities in the Michigan strategic
3 fund **or the bureau of fair competition and free enterprise;** to

1 impose certain duties and responsibilities on those entities and on
 2 certain state employees and public employees; **to transfer certain**
 3 **entities from the Michigan strategic fund to the bureau of fair**
 4 **competition and free enterprise**; and to repeal acts and parts of
 5 acts.

6 Sec. 2. (1) The Michigan defense center is created in the
 7 Michigan strategic fund. ~~The board of the Michigan strategic fund~~
 8 ~~may delegate those functions and authority that the board considers~~
 9 ~~necessary or appropriate as provided in section 5 of the Michigan~~
 10 ~~strategic fund act, 1984 PA 270, MCL 125.2005.~~**Beginning on the**
 11 **effective date of the economic development fair competition and**
 12 **free enterprise act, the Michigan defense center is transferred**
 13 **from the Michigan strategic fund to the bureau.**

14 (2) The Michigan defense center shall do all of the following:

15 (a) Focus solely on job creation and job retention from
 16 business opportunities associated with the ~~procurement technical~~
 17 ~~assistance center~~**APEX Accelerator** for homeland security and
 18 defense contracts and contracts related to homeland security and
 19 defense.

20 (b) Coordinate with ~~procurement technical assistance centers~~
 21 **APEX Accelerators** in this state to maximize homeland security and
 22 defense business opportunities for small businesses and small
 23 business innovation research programs located in this state.

24 (c) Give priority to bring homeland security and defense
 25 business opportunities to municipalities hardest hit by
 26 manufacturing layoffs.

27 (d) Set a performance objective of increasing defense and
 28 homeland security contracts awarded to businesses located in this
 29 state.

(e) Provide resources needed to meet the performance objective described in subdivision (d) not later than July 20, 2007.

(f) Coordinate Michigan defense center efforts with programs funded with proceeds from the 21st century jobs trust fund under the Michigan trust fund act, 2000 PA 489, MCL 12.251 to ~~12.260~~, **12.262**, and other initiatives that are targeted toward commercialization activities related to homeland security and defense research and development in higher education institutions, research centers, and other businesses working in the homeland security and defense arena.

(g) Coordinate with businesses and nonprofit organizations located in this state for the purposes of maximizing homeland security and defense business opportunities.

(3) The Michigan defense center shall hire an executive director and a support person to operate the Michigan defense center. Additional staff may be hired ~~once~~**if** a business plan ~~has been~~**was** developed and approved by the board of the Michigan strategic fund. **Beginning on the effective date of the economic development fair competition and free enterprise act, changes to the business plan or staff levels must be approved by the bureau.** The development plan may include the percentage of funds used for grants, loans, and operating expenses.

~~(4) The Michigan defense center may exercise those powers, privileges, and authorities that the Michigan strategic fund and local public agencies share in common and that each might exercise separately. The shared power, privilege, or authority shall be exercised by a public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to~~

~~124.512, by a contractual interlocal agreement effective April 5, 1999 between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.~~

(4) ~~(5)~~—The Michigan defense center shall not use any state funds to construct or renovate a building for its own use.

(5) ~~(6)~~—If a ~~procurement technical assistance center~~ **an APEX Accelerator** or other entity receives a grant or loan from the Michigan defense center or any funding from the Michigan strategic fund, that ~~procurement technical assistance center~~ **APEX Accelerator** or other entity shall report the following information not less than once each year to the Michigan defense center:

(a) A description of how that grant, loan, or other funding has been used by the ~~procurement technical assistance center~~ **APEX Accelerator** or other entity in the immediately preceding year.

(b) The number and amount of defense or homeland security contracts the ~~procurement technical assistance center~~ **APEX Accelerator** or other entity has received in the immediately preceding year.

(6) ~~(7)~~—As used in this act:

(a) "Bureau" means the bureau of fair competition and free enterprise created in section 7 of the economic development fair competition and free enterprise act.

(b) ~~(a)~~—"Michigan defense center" means the Michigan defense center created in this section.

(c) ~~(b)~~—"Michigan strategic fund" means the Michigan strategic fund created under the Michigan strategic fund act, **former** 1984 PA 270. ~~, MCL 125.2001 to 125.2094.~~

(d) ~~(e)~~—"Municipality" means a township, village, city, or

1 county.

2 **(e)** ~~(d)~~ "Small business" means a business with fewer than 400
3 employees.

4 Enacting section 1. This amendatory act does not take effect
5 unless Senate Bill No. 631 of the 103rd Legislature is enacted into
6 law.