

**SUBSTITUTE FOR
HOUSE BILL NO. 4998**

A bill to establish a pilot project to accelerate entrepreneurship and innovation by establishing entrepreneur-in-residence positions in the strategic fund.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "entrepreneur-in-residence act".

3 Sec. 2. As used in this act:

4 (a) "Entrepreneur-in-residence" means an individual appointed
5 to a position under the project.

6 (b) "Project" means the entrepreneur-in-residence project
7 established under this act.

8 (c) "Strategic fund" means the Michigan strategic fund created
9 under the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to
10 125.2094.

1 Sec. 3. (1) The entrepreneur-in-residence project is
2 established in the strategic fund.

3 (2) The project goals include all of the following:

4 (a) Improving outreach by state government to the private
5 sector.

6 (b) Strengthening coordination and interaction between state
7 government and the private sector on issues relevant to
8 entrepreneurs and small business concerns.

9 (c) Making state government economic development programs and
10 incentives simpler and easier to access, more efficient, and more
11 responsive to the needs of entrepreneurs and small business
12 concerns.

13 Sec. 4. (1) The president of the strategic fund shall appoint
14 not more than 10 entrepreneurs-in-residence under the project
15 during any year.

16 (2) The president of the strategic fund shall select an
17 entrepreneur-in-residence for appointment based on all of the
18 following qualifications:

19 (a) Success in his or her field of endeavor.

20 (b) Demonstrated success in working with entrepreneurs and
21 small business concerns.

22 (c) Success in developing, inventing, or creating a product
23 and bringing it to the marketplace.

24 (3) An entrepreneur-in-residence shall serve without
25 compensation for a maximum of 2 years.

26 (4) Before beginning to serve as an entrepreneur-in-residence,
27 the appointee shall provide the president of the strategic fund

1 with a disclosure statement listing all sources of income and the
2 nature of any ownership interest in a business during the past year
3 for the appointee, his or her spouse, and each parent, child, and
4 sibling of the appointee. The appointee shall update the statement
5 each year and immediately upon any significant change. The
6 disclosure statement is subject to the freedom of information act,
7 1976 PA 422, MCL 15.231 to 15.246. The president of the strategic
8 fund or his or her designee shall check any recommendation made by
9 an entrepreneur-in-residence against the disclosure statement for
10 the existence of a conflict of interest.

11 (5) An entrepreneur-in-residence shall perform the following
12 duties:

13 (a) Assist the strategic fund in improving outreach to small
14 business concerns and entrepreneurs.

15 (b) Identify any inefficient or duplicative economic
16 development programs of this state.

17 (c) Provide recommendations to the strategic fund on methods
18 to improve the efficiency of existing state economic development
19 programs and incentives or for establishing new initiatives.

20 (d) Facilitate meetings and forums to educate small business
21 concerns and entrepreneurs on state economic development programs
22 and incentives.

23 (e) Facilitate in-service sessions with employees of the
24 strategic fund or other state departments and agencies on issues of
25 interest to entrepreneurs and small business concerns.

26 (f) Provide mentorship and technical assistance to small
27 business concerns and entrepreneurs to aid in access to or

1 participation in state economic development programs and
2 incentives.

3 Sec. 5. (1) An entrepreneur-in-residence shall report directly
4 to the president of the strategic fund.

5 (2) The president of the strategic fund may establish an
6 informal work group of entrepreneurs-in-residence to discuss best
7 practices, experiences, obstacles, opportunities, and
8 recommendations.

9 Sec. 6. All departments and agencies shall cooperate with the
10 strategic fund and any entrepreneur-in-residence as necessary to
11 facilitate the project.

12 Sec. 7. The president of the strategic fund shall not appoint
13 an entrepreneur-in-residence under this act after September 30,
14 2016.