

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 398**

A bill to amend 2010 PA 275, entitled
"Next Michigan development act,"
by amending section 4 (MCL 125.2954), as amended by 2013 PA 239.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) An eligible act 7 entity may apply to the board of
2 the Michigan strategic fund for designation as a next Michigan
3 development corporation under this act. An eligible urban entity
4 may apply to the board of the Michigan strategic fund for
5 designation as a next Michigan development corporation under this
6 act. An eligible urban entity may expressly designate an
7 instrumentality of an eligible urban entity or a nonprofit
8 corporation to file the application and act as the next Michigan
9 development corporation on behalf of the eligible urban entity.

1 (2) The territory of a next Michigan development corporation
2 shall be composed of the area within the boundaries of the cities,
3 villages, and townships which are parties to the interlocal
4 agreement as the same may be amended to add or remove parties from
5 time to time or the area of the eligible urban entity. The
6 interlocal agreement may include a division of rights,
7 responsibilities, and duties between and among the local government
8 unit parties as may be determined appropriate by the local
9 government unit parties to implement the purposes of this act and
10 otherwise shall conform to law.

11 (3) Except for an application from or on behalf of an eligible
12 urban entity, the application for next Michigan development
13 corporation status under this act shall be accompanied by a copy of
14 the interlocal agreement creating the eligible act 7 entity and the
15 approval of the governor of the interlocal agreement pursuant to
16 section 10 of the urban cooperation act of 1967, 1967 (Ex Sess) PA
17 7, MCL 124.510.

18 (4) In determining whether to designate a next Michigan
19 development corporation, the Michigan strategic fund shall give
20 preference to ~~an~~ **EACH OF THE FOLLOWING:**

21 **(A)** AN eligible act 7 entity that is made up of not fewer than
22 2 contiguous counties that combined have a population of more than
23 103,000 but less than 106,000 according to the most recent
24 decennial census and the population of the largest city of 1 of
25 those counties when combined with the largest city of the other
26 county is more than 32,500 but less than 35,500.

27 **(B) AN ELIGIBLE URBAN ENTITY THAT IS THE LARGEST CITY IN A**

1 COUNTY WITH A POPULATION OF 1,500,000 OR MORE.