

**SUBSTITUTE FOR
HOUSE BILL NO. 4835**

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
(MCL 125.2001 to 125.2094) by adding chapter 7A.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **CHAPTER 7A**

2 **Sec. 79a. As used in this chapter:**

3 (a) "Small business growth acceleration board" or "board"
4 means the small business growth acceleration board created in
5 section 79b.

6 (b) "Small business administrator" or "administrator" means
7 the small business administrator described in section 79b.

8 **Sec. 79b. (1) The small business growth acceleration board is**
9 **created as an advisory body in the fund. The board shall advise the**



1 fund, and the governor regarding the creation and management of
2 programs and the appropriate scale of those programs that promote
3 small business growth within this state.

4 (2) The principal executive officer of the board is the small
5 business administrator, who shall be appointed by the governor with
6 the advice and consent of the senate.

7 (3) The individual appointed administrator shall be qualified
8 by training and experience to perform the duties and exercise the
9 powers of the administrator and the board as provided in this
10 chapter.

11 (4) The governor may remove the administrator from office for
12 cause, including, but not limited to, incompetence, official
13 misconduct, habitual or willful neglect of duty, or other
14 misfeasance or malfeasance in connection with the operation of the
15 board. The governor shall report the reason for the removal to the
16 legislature.

17 (5) The administrator shall not be actively involved in
18 political party activities or publicly endorse, solicit funds for,
19 or make contributions to political parties or candidates for
20 elective office. The administrator shall not engage in any other
21 occupation, business, or profession likely to detract from the
22 full-time performance of his or her duties as administrator or to
23 result in a conflict of interest or an appearance of impropriety or
24 partiality.

25 Sec. 79c. (1) The board shall consist of the following
26 members, appointed by the governor, and each member shall be a
27 resident of this state and have experience in small business
28 ownership or operations:

29 (a) The small business administrator, as chairperson.



1 (b) Four individuals, 1 who is the owner of a minority-owned
2 business, 1 who is a veteran, and 1 who is the owner of a woman-
3 owned business.

4 (c) One member appointed from a list of 2 or more individuals
5 nominated by the senate majority leader.

6 (d) One member appointed from a list of 2 or more individuals
7 nominated by the speaker of the house of representatives.

8 (2) The members first appointed to the board shall be
9 appointed within 90 days after the effective date of the amendatory
10 act that added this chapter.

11 (3) Members of the board shall serve for terms of 4 years or
12 until a successor is appointed, whichever is later, except that of
13 the members first appointed under subsection (1)(b), (c), and (d),
14 3 shall serve for 2 years, and 3 shall serve for 3 years.

15 (4) If a vacancy occurs on the board, the governor shall make
16 an appointment for the unexpired term in the same manner as the
17 original appointment.

18 (5) The governor may remove a member of the board for
19 incompetence, dereliction of duty, malfeasance, misfeasance, or
20 nonfeasance in office, or any other good cause.

21 (6) A majority of the members of the board constitute a quorum
22 for the transaction of business at a meeting of the board.

23 (7) The business that the board may perform shall be conducted
24 at a public meeting of the board held in compliance with the open
25 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

26 (8) A writing prepared, owned, used, in the possession of, or
27 retained by the board in the performance of an official function is
28 subject to the freedom of information act, 1976 PA 442, MCL 15.231
29 to 15.246.



1 (9) Members of the board shall serve without compensation.
2 However, members of the board may be reimbursed for their actual
3 and necessary expenses incurred in the performance of their
4 official duties as members of the board.

5 (10) The board shall identify, prioritize, and recommend small
6 business growth acceleration services and programs that require
7 government involvement and attention.

8 (11) The board may do 1 or more of the following:

9 (a) Develop and recommend acceleration services for small
10 businesses as follows:

11 (i) Providing mentor-match initiatives.

12 (ii) Providing consultant matching.

13 (iii) Providing resource navigation.

14 (iv) Providing peer support services.

15 (v) Designing or adopting performance metrics for small
16 businesses that track outcomes of state investments.

17 (b) Create a system that tracks the needs of small businesses
18 to match small businesses with appropriate service providers and
19 measure outcomes.

20 (c) Implement a strategy that leverages public and private
21 funding for service providers and small businesses to help
22 accelerate growth.

23 (d) Assist in awarding of state contracts to qualified small
24 businesses by removing barriers to small businesses to create a
25 level playing field, including, but not limited to, 1 or more of
26 the following:

27 (i) Developing small business certification for the purpose of
28 the procurement process.

29 (ii) Setting goals or expectations of contracts awarded.



1 (iii) Establishing a recognition or reward for businesses with
2 large state contracts for subcontracting with certified small
3 businesses.

