

# HOUSE BILL No. 4316

February 15, 1991, Introduced by Reps. Joe Young, Jr., Harrison, Berman, Hunter, Saunders, Clack, Dobronski, DeMars, Clarke, Leland, Varga, Kilpatrick, Joe Young, Sr. and Gubow and referred to the Committee on Corporations and Finance.

A bill to amend the title and sections 1, 2, and 4 of Act No. 165 of the Public Acts of 1975, entitled

"An act to create a division of minority business enterprise within the department of commerce; to prescribe its powers and duties,"

being sections 125.1221, 125.1222, and 125.1224 of the Michigan Compiled Laws; and to add sections 6 and 7.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 1, 2, and 4 of Act  
2 No. 165 of the Public Acts of 1975, being sections 125.1221,  
3 125.1222, and 125.1224 of the Michigan Compiled Laws, are amended  
4 and sections 6 and 7 are added to read as follows:

5 TITLE

6 An act to create a division of minority AND WOMAN business  
7 enterprise within the department of commerce; to prescribe its

1 powers and duties; AND TO IMPOSE CERTAIN DUTIES UPON THE DIRECTOR  
2 OF COMMERCE.

3       Sec. 1. A division of minority AND WOMAN business enter-  
4 prise is created within the ~~office of economic expansion,~~  
5 department of commerce.

6       Sec. 2. As used in this act:

7       (a) "Division" means the division of minority AND WOMAN  
8 business enterprise.

9       (b) "Department" means the department of commerce.

10       (c) "Minority business enterprise" means ~~a business enter-~~  
11 ~~prise that is owned or controlled solely by 1 or more socially or~~  
12 ~~economically disadvantaged persons. The disadvantage may arise~~  
13 ~~from cultural, racial, chronic economic circumstances or back-~~  
14 ~~ground, or other similar cause~~ AN INDIVIDUAL, PARTNERSHIP, COR-  
15 PORATION, OR JOINT VENTURE OF ANY KIND THAT, FOR NOT LESS THAN  
16 1 YEAR BEFORE BEING AWARDED A CONTRACT, IS AND HAS BEEN OWNED AND  
17 CONTROLLED BY BOTH OF THE FOLLOWING:

18       (i) A UNITED STATES CITIZEN.

19       (ii) A RESIDENT OF THIS STATE WHO IS A MEMBER OF A DISADVAN-  
20 TAGED GROUP INCLUDING, BUT NOT LIMITED TO, BLACKS, NATIVE  
21 AMERICANS, HISPANICS, AND ASIANS.

22       (D) "WOMAN BUSINESS ENTERPRISE" MEANS AN INDIVIDUAL, PART-  
23 NERSHIP, CORPORATION, OR JOINT VENTURE OF ANY KIND THAT, FOR NOT  
24 LESS THAN 1 YEAR BEFORE BEING AWARDED A CONTRACT, IS AND HAS BEEN  
25 OWNED AND CONTROLLED BY BOTH OF THE FOLLOWING:

26       (i) A UNITED STATES CITIZEN.

(ii) A RESIDENT OF THIS STATE WHO IS A WOMAN.

Sec. 4. The division shall DO ALL OF THE FOLLOWING:

(a) Provide technical, managerial, FINANCIAL PLANNING, and counseling services and assistance to minority AND WOMAN business enterprises.

(b) With the participation of other state departments and agencies as appropriate, develop comprehensive plans and specific program goals for a minority AND WOMAN business enterprise program, ~~→~~ establish regular performance monitoring and reporting systems to assure that the goals are being achieved, ~~→~~ and evaluate the impact of federal and state support in achieving the objectives established by the division.

(c) Implement state policy in support of minority AND WOMAN business enterprise development and coordinate the plans, programs, and operations of state government ~~which~~ THAT affect or may contribute to the establishment, preservation, and strengthening of minority AND WOMAN business enterprise.

(d) Coordinate, make application for, and administer federal funding grants from the United States office of minority AND WOMAN business enterprise and other federal agencies where applicable.

(e) Promote the mobilization of activities and resources of state agencies and local governments, business and trade associations, universities, foundations, professional organizations, and volunteer and other groups toward the growth of minority AND WOMAN business enterprises, and facilitate the coordination of

1 the efforts of these groups with those of other state departments  
2 and agencies.

3 (f) Establish a center for the development, collection, and  
4 dissemination of information that will be helpful to persons and  
5 organizations throughout the state in undertaking or promoting  
6 the establishment and successful operation of minority AND WOMAN  
7 business enterprise.

8 (g) Assist in experimental and demonstration projects ~~—~~  
9 and defray all or part of the cost of ~~such~~ THOSE projects,  
10 designed to overcome the special problems of minority AND WOMAN  
11 business enterprises.

12 (h) Conduct coordinated reviews of all proposed state train-  
13 ing and technical assistance activities in direct support of the  
14 minority AND WOMAN business enterprise program to insure consis-  
15 tency with program goals and to preclude duplication of effort of  
16 other state agencies with overlapping jurisdictions.

17 (i) Recommend appropriate legislative or executive actions  
18 to enhance minority AND WOMAN business opportunities in this  
19 state.

20 (j) Assist minority AND WOMAN businesses in obtaining gov-  
21 ernmental or commercial financing for business expansion, estab-  
22 lishment of new businesses, or industrial development projects.

23 (k) Provide services to promote the organization of local  
24 development corporations for rural development and assist minor-  
25 ity ~~businessmen~~ AND WOMAN BUSINESSES in agrarian endeavors.

26 ~~(l) Assist the director of the department of commerce to~~  
27 ~~organize a representative statewide minority business advisory~~

~~1 council to service the division of minority business enterprise.~~  
~~2 The council shall consist of 7 members. The governor shall~~  
~~3 appoint the council with the advice and consent of the senate.~~  
~~4 Except as otherwise provided by law, members of the council shall~~  
~~5 serve without compensation but shall be entitled to reasonable~~  
~~6 and necessary expenses incurred in the discharge of their~~  
~~7 duties. The term of office of the council shall be at the plea-~~  
~~8 sure of the governor.~~

9 (L) ~~(m)~~ Assist minority AND WOMAN businesses to promote  
10 reciprocal foreign trade and investment.

11 (M) ~~(n)~~ Assist minority ~~businessmen~~ AND WOMAN BUSINESSES  
12 in business contract procurement from governmental and private  
13 commercial sources.

14 (N) ~~(o)~~ Employ accounting and managerial counselors and  
15 establish a statewide toll free telephone line to give minority  
16 ~~businessmen~~ AND WOMAN BUSINESSES throughout ~~Michigan~~ THIS  
17 STATE access to these counselors.

18 (O) ~~(p)~~ Provide a program effort to ensure participation  
19 of veterans in Michigan minority AND WOMAN business enterprise  
20 activities.

21 (P) REVIEW APPLICATIONS FOR LOANS RECEIVED FROM THE MINORITY  
22 AND WOMAN DEVELOPMENT FINANCING BOARD CREATED BY SECTION 3 OF THE  
23 MINORITY AND WOMAN BUSINESS ENTERPRISE LOAN ACT TO DETERMINE  
24 WHETHER THE APPLICANTS ARE STATE CERTIFIED AND WHETHER THE APPLI-  
25 CANTS HAVE SATISFIED ALL RULES OF THE MINORITY AND WOMAN DEVELOP-  
26 MENT FINANCING BOARD REGARDING ELIGIBILITY. THE DIVISION SHALL

1 TRANSMIT ITS FINDINGS TO THE MINORITY AND WOMAN DEVELOPMENT  
2 FINANCING BOARD FOR THAT BOARD'S REVIEW OF THE LOAN APPLICATION.

3 SEC. 6. THE DIVISION MAY RECEIVE AND ACCEPT GIFTS, GRANTS,  
4 LOANS, OR FINANCIAL OR OTHER AID FROM ANY FEDERAL, STATE, LOCAL,  
5 OR PRIVATE AGENCY OR FUND, AND MAY ENTER INTO A CONTRACT WITH AN  
6 AGENCY OR FUND IN CONNECTION WITH RECEIVING THE AID. THE DIVI-  
7 SION MAY RECEIVE AND ACCEPT FROM OTHER SOURCES AID OR CONTRIBU-  
8 TIONS OF MONEY, PROPERTY, LABOR, OR THINGS OF VALUE TO BE HELD,  
9 USED, AND APPLIED ONLY FOR THE PURPOSES FOR WHICH THE GRANTS AND  
10 CONTRIBUTIONS ARE MADE.

11 SEC. 7. THE DIRECTOR OF COMMERCE SHALL DO BOTH OF THE  
12 FOLLOWING:

13 (A) PROMULGATE RULES IN ACCORDANCE WITH THE ADMINISTRATIVE  
14 PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC ACTS OF 1969,  
15 BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN COMPILED LAWS, TO  
16 IMPLEMENT THE PURPOSES OF THIS ACT.

17 (B) ON OR BEFORE EACH FEBRUARY 1, PREPARE AND SUBMIT AN  
18 ANNUAL REPORT TO THE GOVERNOR AND THE LEGISLATURE OF THE ACTIVI-  
19 TIES OF THE DIVISION FOR THE PRECEDING CALENDAR YEAR.

20 Section 2. This amendatory act shall not take effect unless  
21 Senate Bill No. \_\_\_\_\_ or House Bill No. 4315 (request  
22 no. 01313'91) of the 86th Legislature is enacted into law.