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Senate Bill 906 (as reported without amendment)  
Sponsor: Senator Valde Garcia  
Committee: Commerce and Labor

### **CONTENT**

The bill would amend Public Act 2 of 1921, which created the State Administrative Board, to specify that the Board would have the powers granted and would have to perform the duties imposed under Chapter 8a of the Michigan Strategic Fund Act. The bill would require the Board to hire, support, and supervise the chief compliance officer described in Chapter 8a and review all reports submitted to it by the chief compliance officer.

(Public Acts 213, 215, and 225 of 2005 added Chapter 8a to the Michigan Strategic Fund (MSF) Act. Those measures were part of a package of legislation that provides for the securitization of a portion of Michigan's tobacco settlement revenue, requires the proceeds of the securitization to be deposited into a newly created 21<sup>st</sup> Century Jobs Trust Fund, and allocates the proceeds for investment in private companies, grants, and loans for competitive edge technology and loan enhancement programs.

Chapter 8a creates the Office of the Chief Compliance Officer within the MSF and charges the State Administrative Board with appointing the chief compliance officer. The Office of the Chief Compliance Officer must assist the MSF board with the creation, implementation, monitoring, and enforcement of policies and procedures to prevent illegal, unethical, or improper conduct on the part of various State officials.)

Proposed MCL 17.2b

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

The bill would have no fiscal impact on the State or local units of government. The Office of the Chief Compliance Officer, and funding for administrative costs, is provided for in Public Act 225 of 2005.

Date Completed: 12-1-05

Fiscal Analyst: Bill Bowerman