

# SENATE BILL No. 475

May 5, 2005, Introduced by Senator HARDIMAN and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1982 PA 175, entitled

"An act to create a state research fund within the department of commerce; to provide for the administration of the fund; to prescribe the powers and duties of certain state agencies and officers; to provide for feasibility review panels; to provide for certain appropriations; and to repeal certain acts and parts of acts,"

by amending section 2 (MCL 125.1952).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

SENATE BILL No. 475

1           Sec. 2. (1) The state research fund is hereby created. The

2 department of ~~commerce~~ **LABOR AND ECONOMIC GROWTH** shall give public

3 notice of the existence of the fund, the fund's objectives, and

4 requirements for participation in the fund. From the amounts

5 received by the fund, the department of ~~commerce~~ **LABOR AND**

6 **ECONOMIC GROWTH** shall make grants for specific projects ~~which~~ **THAT**

1 are either proposed by Michigan colleges and universities in  
 2 cooperation with a business or other private entity, or ~~which~~ **THAT**  
 3 are proposed by a business or other private entity, ~~which~~ **business**  
 4 ~~or private entity~~ may be **THAT IS EITHER A** profit or nonprofit  
 5 **ENTITY** and ~~which~~ **THAT** is doing business in Michigan. The  
 6 **DEPARTMENT OF LABOR AND ECONOMIC GROWTH SHALL EVALUATE A** proposed  
 7 ~~projects shall be evaluated~~ **PROJECT** according to **WHETHER IT MEETS 1**  
 8 **OR MORE OF** the following criteria:

9 (a) ~~Apply~~ **THE PROJECT APPLIES** technological discoveries to  
 10 new applications.

11 (b) ~~Provide~~ **THE PROJECT PROVIDES** a tangible, direct benefit  
 12 for the economy of the state.

13 (c) ~~Hold~~ **THE PROJECT IS OF** interest ~~for~~ **TO** 1 or more of the  
 14 following:

15 (i) The college or university.

16 (ii) The business or other private entity.

17 (d) ~~Are~~ **THE PROJECT IS** of general interest to an entire  
 18 industrial field.

19 (e) ~~Contribute~~ **THE PROJECT CONTRIBUTES** directly or indirectly  
 20 to the development of additional products or processes.

21 (f) The applicant demonstrates the capability to implement the  
 22 proposed project.

23 (g) ~~Meet~~ **THE PROJECT MEETS** any other criteria prescribed by  
 24 the director of the department of ~~commerce~~ **LABOR AND ECONOMIC**  
 25 **GROWTH.**

26 (2) Not more than 35% of the amount appropriated to the fund  
 27 shall be allocated to any 1 college or ~~institution~~ **UNIVERSITY.**

1 Priority for ~~proposals~~ **PROPOSED PROJECTS** in subsection (1) shall  
2 be given to those ~~proposals which~~ **PROJECTS THAT** are submitted by **A**  
3 Michigan colleges and universities **COLLEGE OR UNIVERSITY** in  
4 cooperation with a business or private entity, ~~which~~ **THAT** do not  
5 require continuing grants, and ~~which~~ **THAT** have prospects of  
6 receiving necessary financial assistance from other sources in the  
7 future.

8 (3) ~~Within 60 days after receiving a proposal pursuant to~~  
9 ~~subsection (1), a feasibility review panel shall review the~~  
10 ~~feasibility of the proposal and advise the department as to~~  
11 ~~whether, in the opinion of the panel, the proposal complies with~~  
12 ~~subsection (1), and recommend the amount and priority of the grant~~  
13 ~~to the director.~~ If the proposal **A PROPOSED PROJECT** complies with  
14 subsection (1), the director of ~~commerce~~ **THE DEPARTMENT OF LABOR**  
15 **AND ECONOMIC GROWTH** shall **DETERMINE THE AMOUNT AND PRIORITY OF THE**  
16 **GRANT AND** release the grant to the college or university or the  
17 business or private entity named in the ~~proposal~~ **PROPOSED PROJECT**  
18 in accordance with the accounting laws of the state.

19 ~~— (4) The feasibility review panel shall be composed of 5~~  
20 ~~members who shall serve without compensation. One member shall be~~  
21 ~~appointed by the speaker of the house. One member shall be~~  
22 ~~appointed by the senate majority leader. Two members shall be~~  
23 ~~appointed by the governor. One member shall be appointed jointly~~  
24 ~~with the concurrence of the speaker of the house, senate majority~~  
25 ~~leader, and the governor. The membership of the panel shall be~~  
26 ~~representative of the scientific, technical, financial, and~~  
27 ~~academic communities in this state. Members of the panel shall be~~

- 1 ~~reimbursed for traveling and other necessary expenses, but such~~
- 2 ~~reimbursement shall not be made from the fund.~~