

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 727

A bill to create certain centers in the Michigan strategic fund; to impose certain duties and responsibilities on those centers and on certain state employees and public employees; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Center" or "defense contract coordination center" means
3 the defense contract coordination center created in section 2.

4 (b) "Michigan strategic fund" means the Michigan strategic
5 fund created under the Michigan strategic fund act, 1984 PA 270,
6 MCL 125.2001 to 125.2094.

7 (c) "Municipality" means a township, village, city, or county.

1 (d) "Small business" means a business with less than 400
2 employees.

3 Sec. 2. (1) The defense contract coordination center is
4 created in the Michigan strategic fund. The board of the Michigan
5 strategic fund may delegate those functions and authority that the
6 board considers necessary or appropriate as provided in section 5
7 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2005.

8 (2) The center shall do all of the following:

9 (a) Focus solely on job creation and job retention from
10 business opportunities associated with the procurement technical
11 assistance center for homeland security and defense contracts and
12 contracts related to homeland security and defense.

13 (b) Coordinate with procurement technical assistance centers
14 in this state to maximize homeland security and defense business
15 opportunities for small businesses and small business innovation
16 research programs located in this state.

17 (c) Give priority to bring homeland security and defense
18 business opportunities to municipalities hardest hit by
19 manufacturing layoffs.

20 (d) Set a performance objective of increasing defense and
21 homeland security contracts awarded to businesses located in this
22 state by 25% by the time this act is repealed.

23 (e) Provide resources needed to meet the performance objective
24 described in subdivision (d) within 1 year of the date this act is
25 enacted.

26 (f) Coordinate center efforts with programs funded with
27 proceeds from the 21st century jobs trust fund under the Michigan

1 trust fund act, 2000 PA 489, MCL 12.251 to 12.260, and other
2 initiatives that are targeted toward commercialization activities
3 related to homeland security and defense research and development
4 in higher education institutions, research centers, and other
5 businesses working in the homeland security and defense arena.

6 (g) Coordinate with businesses and nonprofit organizations
7 located in this state for the purposes of maximizing homeland
8 security and defense business opportunities.

9 (3) The center shall hire an executive director and a support
10 person to operate the center. Additional staff may be hired once a
11 business plan has been developed and approved by the board of the
12 Michigan strategic fund. The development plan shall include the
13 percentage of funds used for grants, loans, and operating expenses.

14 (4) The defense contract coordination center may exercise
15 those powers, privileges, and authorities that the Michigan
16 strategic fund and local public agencies share in common and that
17 each might exercise separately. The shared power, privilege, or
18 authority shall be exercised by a public body corporate created
19 under section 28 of article VII of the state constitution of 1963
20 and the urban cooperation act of 1967, 1967 (Ex Sess) Pa 7, MCL
21 124.501 to 124.512, by a contractual interlocal agreement effective
22 April 5, 1999 between local participating economic development
23 corporations formed under the economic development corporations
24 act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan
25 strategic fund.

26 (5) The center shall not use any state funds to construct or
27 renovate a building for its own use.

1 Enacting section 1. This act is repealed effective 5 years
2 after the date it is enacted into law.