

Legislative Analysis



DMB REPORT ON GOODS AND SERVICES FROM EXPATRIATED BUSINESSES, ETC.

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4100 as introduced
Sponsor: Rep. Lisa Wojno
Committee: Government Operations

Complete to 3-20-07

A SUMMARY OF HOUSE BILL 4100 AS REPORTED FROM COMMITTEE

The bill would amend the Management and Budget Act to require the department to report annually to each House of the Legislature, beginning January 1, 2008, the amount of goods and services purchased by all state agencies in the immediately preceding fiscal year from an expatriated business and the amount of goods and services that were manufactured or provided by an individual who is not a citizen, legal alien, or an individual who holds a valid visa of the United States.

The bill would define "expatriated business" to mean a corporation, or its affiliates, that is incorporated in a tax haven country after December 31, 2001, but the United States is the principal market for the public trading of the corporation's stock. "Tax Haven Country" would be defined to mean each of the following: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the principalities of Liechtenstein and Monaco, and the Republic of the Seychelles.

MCL 18.1261

BACKGROUND INFORMATION:

A spokesperson for the Department of Management and Budget testified in support of the bill and indicated that the department has been collecting this information since 2003. The bill would require them to report the information to the legislature.

FISCAL IMPACT:

House Bill 4100 will impose minimal costs on the state. There will be costs to the Department of Management and Budget related to staff time necessary to compile the report required.

POSITIONS:

The Department of Management and Budget supports the bill. (3-20-07)

UAW-MI CAP supports the bill (3-20-07)

Legislative Analyst: E. Best
Fiscal Analyst: Robin Risko

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.