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BILL ANALYSIS



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Senate Bill 1195 (as enacted)
Sponsor: Senator Gerald Van Woerkom
Senate Committee: Agriculture
First House Committee: Commerce
Second House Committee: Agriculture

PUBLIC ACT 367 of 2008

Date Completed: 7-2-09

CONTENT

The bill amended the Michigan Strategic Fund Act to replace the technology transfer program with a technology transfer acceleration program focused on competitive edge technologies and bioeconomy technologies.

The bill took effect on December 23, 2008.

The Act previously required the Michigan Strategic Fund to create and operate a program to assist institutions of higher education with university technology transfer, including the transfer of competitive edge technology to the private sector for commercialization.

The bill instead requires the Michigan Strategic Fund to create and operate a program to accelerate technology transfer from Michigan's institutions of higher education to the private sector for commercialization of competitive edge technologies and bioeconomy technologies. The technology transfer acceleration program must do the following:

- Encourage and work with the State's public universities to identify the commercial potential in advanced technologies from institutions of higher education.
- Facilitate the bundling of inventions from individual institutions of higher education into packages that could be of interest to private sector firms for commercialization opportunities.
- Encourage business formation efforts in institution of higher education technology transfer offices to increase the number of institution of higher education-related start-up companies.
- Work with institutions of higher education in encouraging them to provide their faculty with incentives for participating in technology transfer and commercialization activities.
- Facilitate the use of the applied research expertise within institutions of higher education by qualified businesses.

MCL 125.2088o

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill alters the technology transfer program requirement created as part of the 21st Century Jobs Trust Fund program to concentrate on technologies in the bioeconomy and requires the program to include several specific strategies. These changes increase the

responsibilities of the Michigan Strategic Fund (MSF) and Michigan Economic Development Corporation, which provides staff to the MSF.

Public Act 225 of 2005 included a \$2.0 million appropriation for university technology transfer; however, when the funding for the 21st Century Jobs Trust Fund programs was reduced by \$50.0 million in FY 2006-07 due to a transfer of \$50.0 million from the 21st Century Jobs Trust Fund to the General Fund, the university technology transfer earmark was not funded.

To fund the program, the MSF may allocate or redirect money from the 21st Century Jobs Trust Fund program, which received an appropriation of \$62.0 million in FY 2008-09. This funding, however, has been fully allocated by the MSF bond for FY 2008-09.

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