

SUBSTITUTE FOR
HOUSE BILL NO. 5791

(As amended April 9, 2008)

A bill to amend 1987 PA 231, entitled

"An act to create a transportation economic development fund in the state treasury; to prescribe the uses of and distributions from this fund; to create the office of economic development and to prescribe its powers and duties; to prescribe the powers and duties of the state transportation department, state transportation commission, and certain other bodies; and to permit the issuance of certain bonds,"

by amending section 13 (MCL 247.913) and by adding section 9a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 9A. (1) BEGINNING JULY 1, 2008, THE ADMINISTRATOR SHALL
2 NOT USE ANY PROCEEDS OF THE FUND FOR A PROJECT UNLESS THE APPLICANT
3 STATES, IN WRITING, THAT THE APPLICANT WILL NOT KNOWINGLY HIRE OR
4 CONTRACT WITH ANY BUSINESS ENTITY THAT KNOWINGLY HIRES AN
5 INDIVIDUAL WHO IS NOT AUTHORIZED UNDER FEDERAL LAW TO WORK IN THE
6 UNITED STATES[.

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House Bill No. 5791 (H-1) as amended April 9, 2008
as amended May 20, 2008

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(2) BEGINNING JULY 1, 2008, THE ADMINISTRATOR SHALL NOT USE ANY PROCEEDS OF THE FUND FOR A PROJECT UNLESS THE APPLICANT STATES, IN WRITING, THAT THE APPLICANT WILL NOT VIOLATE THE PROVISIONS OF 1965 PA 166, MCL 408.551 TO 408.558, IF APPLICABLE, IN USING ANY PROCEEDS OF THE FUND FOR A PROJECT UNDER THIS ACT.

(3) BEGINNING JULY 1, 2008, THE ADMINISTRATOR SHALL NOT USE ANY PROCEEDS OF THE FUND FOR A PROJECT UNLESS THE APPLICANT STATES, IN WRITING, THAT THE APPLICANT WILL DO ALL OF THE FOLLOWING:

(A) MAKE A GOOD FAITH EFFORT TO EMPLOY, IF QUALIFIED, MICHIGAN RESIDENTS [ON THE PROJECT].

(B) MAKE A GOOD FAITH EFFORT TO EMPLOY OR CONTRACT WITH MICHIGAN RESIDENTS AND FIRMS TO CONSTRUCT, REHABILITATE, [AND DEVELOP THE PROJECT].]

(C) MAKE A GOOD FAITH EFFORT TO UTILIZE MICHIGAN-BASED SUPPLIERS AND VENDORS WHEN PURCHASING GOODS AND SERVICES.

(4) BEGINNING JULY 1, 2008, THE WRITTEN AGREEMENT DESCRIBED IN SUBSECTION (1) SHALL ALSO CONTAIN A REMEDY PROVISION THAT PROVIDES FOR ALL OF, BUT NOT LIMITED TO, THE FOLLOWING:

(A) A REQUIREMENT THAT THE APPLICANT IS NO LONGER ELIGIBLE TO RECEIVE FINANCING [FOR PROJECTS DESCRIBED IN SECTION 9(1)(A)] IF THE APPLICANT IS DETERMINED TO BE IN VIOLATION OF SUBSECTION (1) OR (2), AS DETERMINED BY THE ADMINISTRATOR.

(B) A REQUIREMENT THAT THE APPLICANT MAY BE REQUIRED TO REPAY SOME OR ALL OF THE BENEFITS RECEIVED UNDER THIS ACT IF THE

1 **APPLICANT IS DETERMINED TO BE IN VIOLATION OF THE PROVISIONS OF**
2 **SUBSECTION (1) OR (2), AS DETERMINED BY THE ADMINISTRATOR.**

3 Sec. 13. By December 31 each year the commission shall report
4 to the governor, **THE BOARD OF THE MICHIGAN STRATEGIC FUND**, the
5 house and senate appropriations committees, and the house and
6 senate fiscal agencies the following information regarding this
7 act:

8 (a) The projects funded during the previous fiscal year.

9 (b) The status of projects funded in the immediately preceding
10 fiscal year.

11 (c) The number of jobs created and retained and any other
12 economic benefits of the projects funded and listed under
13 subdivision (a).

14 (d) The degree to which the projects funded have achieved the
15 objectives of this act.

16 **(E) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN PROJECTS**
17 **FUNDED UNDER THIS ACT IN THE IMMEDIATELY PRECEDING YEAR.**

18 **(F) THE DETAILS OF THE GOOD FAITH EFFORTS REQUIRED OF THE**
19 **APPLICANT DESCRIBED IN SECTION 9A(3)(A), (B), AND (C).**

20 **(G)** ~~(e)~~ Any other information considered necessary by the
21 commission for the legislature to evaluate the effectiveness of
22 this act.