

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4083

A bill to amend 1984 PA 270, entitled  
"Michigan strategic fund act,"  
by amending section 11 (MCL 125.2011), as amended by 1987 PA 278.

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

1       Sec. 11. (1) Within 90 days after assistance for a project is  
2 requested from the fund by the filing of a written application with  
3 the board, the board shall approve or disapprove the request for  
4 assistance. Upon written request by an applicant, the board may  
5 reconsider its denial of an application for assistance under this  
6 section or may waive the 90-day deadline for approving or  
7 disapproving an application.

8       (2) BEGINNING JULY 1, 2009, THE BOARD SHALL NOT APPROVE A  
9 REQUEST FOR ASSISTANCE FOR A PROJECT OR AN ECONOMIC DEVELOPMENT  
10 PROJECT, OR A LOAN OR GRANT UNDER CHAPTER 8A, UNLESS THE APPLICANT

1 STATES, IN WRITING, THAT THE APPLICANT WILL NOT KNOWINGLY HIRE OR  
2 CONTRACT WITH ANY BUSINESS ENTITY THAT KNOWINGLY HIRES AN  
3 INDIVIDUAL WHO IS NOT AUTHORIZED UNDER FEDERAL LAW TO WORK IN THE  
4 UNITED STATES.

5 (3) BEGINNING JULY 1, 2009, THE BOARD SHALL NOT APPROVE A  
6 REQUEST FOR ASSISTANCE FOR A PROJECT OR AN ECONOMIC DEVELOPMENT  
7 PROJECT, OR A LOAN OR GRANT UNDER CHAPTER 8A, UNLESS THE APPLICANT  
8 STATES, IN WRITING, THAT THE APPLICANT WILL DO ALL OF THE  
9 FOLLOWING:

10 (A) HIRE ONLY RESIDENTS OF THIS STATE OR INDIVIDUALS WHO PLAN  
11 ON BECOMING RESIDENTS OF THIS STATE TO WORK ON PROJECTS, ECONOMIC  
12 DEVELOPMENT PROJECTS, OR FACILITIES THAT ARE CONSTRUCTED WITH A  
13 LOAN OR GRANT PROVIDED UNDER CHAPTER 8A UNLESS THE BOARD DETERMINES  
14 THAT THE PROJECT, ECONOMIC DEVELOPMENT PROJECT, OR FACILITIES THAT  
15 ARE CONSTRUCTED WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A  
16 CANNOT BE CONSTRUCTED BY USING ONLY RESIDENTS OF THIS STATE OR  
17 INDIVIDUALS WHO PLAN ON BECOMING RESIDENTS OF THIS STATE FOR 1 OR  
18 MORE OF THE FOLLOWING:

19 (i) TO THE EXTENT NECESSARY TO COMPLY WITH FEDERAL LAW OR  
20 REGULATION CONCERNING THE USE OF FEDERAL FUNDS.

21 (ii) TO THE EXTENT THAT KEY MANAGEMENT PERSONNEL OR INDIVIDUALS  
22 WITH SPECIAL SKILLS, WHO ARE NOT RESIDENTS OF THIS STATE, ARE  
23 NEEDED.

24 (iii) HOWEVER, FOR FACILITIES LOCATED IN A COUNTY THAT BORDERS  
25 ON ANOTHER STATE, IF THE BOARD DETERMINES THAT THE USE OF  
26 NONRESIDENTS FOR THE CONSTRUCTION, REHABILITATION, DEVELOPMENT, OR  
27 RENOVATION WILL NOT HAVE A SIGNIFICANT ADVERSE EFFECT ON THE

1 EMPLOYMENT OF RESIDENTS IN THIS STATE.

2 (B) CONTRACT WITH BUSINESSES THAT AGREE TO HIRE ONLY RESIDENTS  
3 OF THIS STATE OR INDIVIDUALS WHO PLAN ON BECOMING RESIDENTS OF THIS  
4 STATE TO WORK ON PROJECTS, ECONOMIC DEVELOPMENT PROJECTS, OR  
5 FACILITIES THAT ARE CONSTRUCTED WITH A LOAN OR GRANT PROVIDED UNDER  
6 CHAPTER 8A UNLESS THE BOARD DETERMINES THAT THE PROJECT, ECONOMIC  
7 DEVELOPMENT PROJECT, OR FACILITIES THAT ARE CONSTRUCTED WITH A LOAN  
8 OR GRANT PROVIDED UNDER CHAPTER 8A CANNOT BE CONSTRUCTED BY USING  
9 ONLY RESIDENTS OF THIS STATE OR INDIVIDUALS WHO PLAN ON BECOMING  
10 RESIDENTS OF THIS STATE FOR 1 OR MORE OF THE FOLLOWING:

11 (i) TO THE EXTENT NECESSARY TO COMPLY WITH FEDERAL LAW OR  
12 REGULATION CONCERNING THE USE OF FEDERAL FUNDS.

13 (ii) TO THE EXTENT THAT KEY MANAGEMENT PERSONNEL OR INDIVIDUALS  
14 WITH SPECIAL SKILLS, WHO ARE NOT RESIDENTS OF THIS STATE, ARE  
15 NEEDED.

16 (iii) HOWEVER, FOR FACILITIES LOCATED IN A COUNTY THAT BORDERS  
17 ON ANOTHER STATE, IF THE BOARD DETERMINES THAT THE USE OF  
18 NONRESIDENTS FOR THE CONSTRUCTION, REHABILITATION, DEVELOPMENT, OR  
19 RENOVATION WILL NOT HAVE A SIGNIFICANT ADVERSE EFFECT ON THE  
20 EMPLOYMENT OF RESIDENTS IN THIS STATE.

21 (4) BEGINNING JULY 1, 2009, THE WRITTEN AGREEMENT DESCRIBED IN  
22 SUBSECTIONS (2) AND (3) SHALL ALSO CONTAIN A REMEDY PROVISION THAT  
23 PROVIDES FOR ALL OF, BUT NOT LIMITED TO, THE FOLLOWING:

24 (A) A REQUIREMENT THAT THE APPLICANT'S FINANCING, LOAN, OR  
25 GRANT IS REVOKED UNDER THIS ACT IF THE APPLICANT IS DETERMINED TO  
26 BE IN VIOLATION OF SUBSECTION (2) OR (3), AS DETERMINED BY THE  
27 BOARD.

1 (B) A REQUIREMENT THAT THE APPLICANT MAY BE REQUIRED TO REPAY  
2 SOME OR ALL OF THE BENEFITS RECEIVED UNDER THIS ACT IF THE  
3 APPLICANT IS DETERMINED TO BE IN VIOLATION OF THE PROVISIONS OF  
4 SUBSECTION (2) OR (3), AS DETERMINED BY THE BOARD.

5 (5) NOT LATER THAN FEBRUARY 1 EACH YEAR, THE BOARD SHALL  
6 REPORT TO EACH HOUSE OF THE LEGISLATURE ON THE ACTIVITIES FOR THE  
7 IMMEDIATELY PRECEDING FISCAL YEAR. THE REPORT SHALL CONTAIN ALL OF  
8 THE FOLLOWING:

9 (A) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN JOBS FROM  
10 PROJECTS, ECONOMIC DEVELOPMENT PROJECTS, OR FACILITIES CONSTRUCTED  
11 WITH A LOAN OR GRANT PROVIDED UNDER CHAPTER 8A IN THE IMMEDIATELY  
12 PRECEDING YEAR.

13 (B) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN JOBS AND THE  
14 NUMBER OF JOBS CREATED FROM OTHER ECONOMIC DEVELOPMENT INITIATIVES  
15 THAT ARE REQUIRED TO BE REPORTED TO THE BOARD.

16 (C) THE SPECIFIC REASONS FOR EACH DETERMINATION OF EXEMPTION  
17 FROM THE PROVISIONS OF SUBSECTION (3) (A) OR (B) MADE BY THE BOARD  
18 AND THE NUMBER OF JOBS RELATED TO EACH DETERMINATION.

19 (D) ANY OTHER INFORMATION THE BOARD DETERMINES NECESSARY.

20 Enacting section 1. This amendatory act does not take effect  
21 unless all of the following bills of the 95th Legislature are  
22 enacted into law:

23 (a) Senate Bill No. 502.

24  
25 (b) Senate Bill No. 539.