

SUBSTITUTE FOR
HOUSE BILL NO. 6526

A bill to amend 2006 PA 317, entitled

"An act 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,"

by amending section 2 (MCL 125.1972); and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

2 (a) Focus solely on job creation and job retention from
3 business opportunities associated with the procurement technical
4 assistance center for homeland security and defense contracts and
5 contracts related to homeland security and defense.

6 (b) Coordinate with procurement technical assistance centers
7 in this state to maximize homeland security and defense business
8 opportunities for small businesses and small business innovation
9 research programs located in this state.

10 (c) Give priority to bring homeland security and defense
11 business opportunities to municipalities hardest hit by
12 manufacturing layoffs.

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15 state by 25% by the time this act is repealed.

16 (e) Provide resources needed to meet the performance objective
17 described in subdivision (d) ~~within 1 year of the date this act is~~
18 ~~enacted~~ **NOT LATER THAN JULY 20, 2007.**

19 (f) Coordinate center efforts with programs funded with
20 proceeds from the 21st century jobs trust fund under the Michigan
21 trust fund act, 2000 PA 489, MCL 12.251 to 12.260, and other
22 initiatives that are targeted toward commercialization activities
23 related to homeland security and defense research and development
24 in higher education institutions, research centers, and other
25 businesses working in the homeland security and defense arena.

26 (g) Coordinate with businesses and nonprofit organizations
27 located in this state for the purposes of maximizing homeland

1 security and defense business opportunities.

2 (3) The center shall hire an executive director and a support
3 person to operate the center. Additional staff may be hired once a
4 business plan has been developed and approved by the board of the
5 Michigan strategic fund. The development plan ~~shall~~**MAY** include the
6 percentage of funds used for grants, loans, and operating expenses.

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

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

21 (6) **IF A PROCUREMENT TECHNICAL ASSISTANCE CENTER OR OTHER**
22 **ENTITY RECEIVES A GRANT OR LOAN FROM THE CENTER OR ANY FUNDING FROM**
23 **THE MICHIGAN STRATEGIC FUND, THAT PROCUREMENT TECHNICAL ASSISTANCE**
24 **CENTER OR OTHER ENTITY SHALL REPORT THE FOLLOWING INFORMATION NOT**
25 **LESS THAN ONCE EACH YEAR TO THE CENTER:**

26 (A) **A DESCRIPTION OF HOW THAT GRANT, LOAN, OR OTHER FUNDING**
27 **HAS BEEN USED BY THE PROCUREMENT TECHNICAL ASSISTANCE CENTER OR**

1 OTHER ENTITY IN THE IMMEDIATELY PRECEDING YEAR.

2 (B) THE NUMBER AND AMOUNT OF DEFENSE OR HOMELAND SECURITY
3 CONTRACTS THE PROCUREMENT TECHNICAL ASSISTANCE CENTER OR OTHER
4 ENTITY HAS RECEIVED IN THE IMMEDIATELY PRECEDING YEAR.

5 (7) AS USED IN THIS ACT:

6 (A) "CENTER" OR "MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
7 DEFENSE CENTER" MEANS THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
8 DEFENSE CENTER CREATED IN SECTION 2.

9 (B) "MICHIGAN STRATEGIC FUND" MEANS THE MICHIGAN STRATEGIC
10 FUND CREATED UNDER THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270,
11 MCL 125.2001 TO 125.2094.

12 (C) "MUNICIPALITY" MEANS A TOWNSHIP, VILLAGE, CITY, OR COUNTY.

13 (D) "SMALL BUSINESS" MEANS A BUSINESS WITH FEWER THAN 400
14 EMPLOYEES.

15 Enacting section 1. Section 1 of 2006 PA 317, MCL 125.1971, is
16 repealed.

17 Enacting section 2. Enacting section 1 of 2006 PA 317 is
18 repealed.