

SUBSTITUTE FOR

SENATE BILL NO. 138

(As amended, November 10, 2010)

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 the title and section 2 (MCL 125.1972); and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

TITLE

2

An act to create certain ~~centers~~ **ENTITIES** in the Michigan strategic fund; to impose certain duties and responsibilities on those ~~centers~~ **ENTITIES** and on certain state employees and public employees; and to repeal acts and parts of acts.

6

Sec. 2. (1) The ~~defense contract coordination center~~ **MICHIGAN**

7

DEFENSE <<CENTER>> is created in the Michigan strategic fund. The board of the

8

Michigan strategic fund may delegate those functions and authority

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1 that the board considers necessary or appropriate as provided in
2 section 5 of the Michigan strategic fund act, 1984 PA 270, MCL
3 125.2005.

4 (2) The ~~center~~ **MICHIGAN DEFENSE <<CENTER>>** shall do all of
the following:

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

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

13 (c) Give priority to bring homeland security and defense
14 business opportunities to municipalities hardest hit by
15 manufacturing layoffs.

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 ~~by 25% by the time this act is repealed.~~

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

22 (f) Coordinate ~~center~~ **MICHIGAN DEFENSE <<CENTER>>** efforts with
programs
23 funded with proceeds from the 21st century jobs trust fund under
24 the Michigan trust fund act, 2000 PA 489, MCL 12.251 to 12.260, and
25 other initiatives that are targeted toward commercialization
26 activities related to homeland security and defense research and
27 development in higher education institutions, research centers, and

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1 other businesses working in the homeland security and defense
2 arena.

3 (g) Coordinate with businesses and nonprofit organizations
4 located in this state for the purposes of maximizing homeland
5 security and defense business opportunities.

6 (3) The ~~center~~ **MICHIGAN DEFENSE <<CENTER>>** shall hire an
executive

7 director and a support person to operate the ~~center~~ **MICHIGAN**

8 **DEFENSE <<CENTER>>**. Additional staff may be hired once a business
plan has

9 been developed and approved by the board of the Michigan strategic
10 fund. The development plan ~~shall~~ **MAY** include the percentage of
11 funds used for grants, loans, and operating expenses.

12 (4) The ~~defense contract coordination center~~ **MICHIGAN DEFENSE**
13 **<<CENTER>>** may exercise those powers, privileges, and authorities that the
14 Michigan strategic fund and local public agencies share in common
15 and that each might exercise separately. The shared power,
16 privilege, or authority shall be exercised by a public body
17 corporate created under section 28 of article VII of the state
18 constitution of 1963 and the urban cooperation act of 1967, 1967
19 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a contractual interlocal
20 agreement effective April 5, 1999 between local participating
21 economic development corporations formed under the economic
22 development corporations act, 1974 PA 338, MCL 125.1601 to
23 125.1636, and the Michigan strategic fund.

24 (5) The ~~center~~ **MICHIGAN DEFENSE <<CENTER>>** shall not use any
state funds

25 to construct or renovate a building for its own use.

26 (6) IF A PROCUREMENT TECHNICAL ASSISTANCE CENTER OR OTHER
27 ENTITY RECEIVES A GRANT OR LOAN FROM THE MICHIGAN DEFENSE **<<CENTER>>**
OR ANY

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1 FUNDING FROM THE MICHIGAN STRATEGIC FUND, THAT PROCUREMENT
2 TECHNICAL ASSISTANCE CENTER OR OTHER ENTITY SHALL REPORT THE
3 FOLLOWING INFORMATION NOT LESS THAN ONCE EACH YEAR TO THE MICHIGAN
4 DEFENSE <<CENTER>>:

5 (A) A DESCRIPTION OF HOW THAT GRANT, LOAN, OR OTHER FUNDING
6 HAS BEEN USED BY THE PROCUREMENT TECHNICAL ASSISTANCE CENTER OR
7 OTHER ENTITY IN THE IMMEDIATELY PRECEDING YEAR.

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

11 (7) AS USED IN THIS ACT:

12 (A) "MICHIGAN DEFENSE <<CENTER>>" MEANS THE MICHIGAN DEFENSE
<<CENTER>> CREATED IN

13 THIS SECTION.

14 (B) "MICHIGAN STRATEGIC FUND" MEANS THE MICHIGAN STRATEGIC
15 FUND CREATED UNDER THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270,
16 MCL 125.2001 TO 125.2094.

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

18 (D) "SMALL BUSINESS" MEANS A BUSINESS WITH FEWER THAN 400
19 EMPLOYEES.

20 Enacting section 1. Section 1 of 2006 PA 317, MCL 125.1971, is
21 repealed.

22 Enacting section 2. Enacting section 1 of 2006 PA 317 is
23 repealed.