

Legislative Analysis



MICHIGAN STRATEGIC FUND: BUSINESS MARKETING EXPENDITURES

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House Bill 4667

Sponsor: Rep. Earl Poleski

Committee: Appropriations

Complete to 5-6-13

A SUMMARY OF HOUSE BILL 4667 AS INTRODUCED 5-2-13

House Bill 4667 would amend the Michigan Strategic Fund Act to authorize the use of not more than \$7,250,000 of the annual appropriation from the 21st Century Jobs Trust Fund for business development and business marketing costs. Additionally, the bill would eliminate the requirement that not less than 80% of the funds committed for business development and business marketing be targeted to persons or entities outside of the State of Michigan.

Under current law, the Michigan Strategic Fund can spend no more than 5% of the annual appropriation from the 21st Century Jobs Trust Fund on business development and business marketing costs. The Michigan Strategic fund must also target at least 80% of the funds committed for business development and business marketing to persons or entities outside of the state.

FISCAL IMPACT:

House Bill 4667 would have no impact on the overall appropriations to the Michigan Strategic Fund. However, it would impact the manner in which current appropriations are allocated. Under current law, the Michigan Strategic Fund can spend no more than 5% of the annual appropriation from the 21st Century Jobs Trust Fund on business development and business marketing. At the current appropriation of \$75.0 million, this would amount to \$3.8 million. Therefore, under the provisions of the bill, annual allocations to business development and business marketing could increase by \$3.5 million. Additionally, the provisions of the bill would eliminate the requirement that 80% of these funds be targeted to entities outside of the state.

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