

ENTREPRENEUR-IN-RESIDENCE PROJECT

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House Bill 4998 (Substitute H-2)

Sponsor: Rep. Wayne Schmidt

Committee: Commerce

Complete to 2-27-14

A SUMMARY OF HOUSE BILL 4998 AS REPORTED FROM COMMITTEE

The bill would create a new program within the Michigan Strategic Fund known as the entrepreneur-in-residence project. Under this program, the president of the MSF could appoint up to 10 entrepreneurs-in-residence; such an individual would serve without compensation for up to two years and would report directly to the MSF president. The aims of the project would include:

- Improving outreach by state government to the private sector.
- Strengthening coordination and interaction between state government and the private sector on issues relevant to entrepreneurs and small business concerns.
- Making state government economic development programs and incentives simpler and easier to access, more efficient, and more responsive to the needs of entrepreneurs and small business concerns.

All departments and agencies would be required to cooperate with the Strategic Fund and any entrepreneur-in-residence as necessary to facilitate the project.

Qualifications of Entrepreneurs-in-Residence

The president of the MSF would appoint entrepreneurs-in-residence based on the following qualifications:

- Success in their fields of endeavor.
- Demonstrated success in working with entrepreneurs and small business concerns.
- Success in developing, inventing, or creating a product and bringing it to the marketplace.

No appointments would be made after September 30, 2016.

Duties

The duties of an entrepreneur-in-residence would include:

- Assisting the Strategic Fund in improving outreach to small business concerns and entrepreneurs.
- Identifying any inefficient or duplicative economic development programs of the state.

- Facilitating meetings and forums to educate small business concerns and entrepreneurs on state economic development programs and incentives.
- Facilitating in-service sessions with employees of the Strategic Fund or other state on issues of interest to entrepreneurs and small business concerns.
- Providing mentorship and technical assistance to small business concerns and entrepreneurs to aid in access to or participation in state economic development programs and incentives.

Disclosures and Conflict of Interest

Before beginning service, an appointee would have to provide the MSF president with a disclosure statement listing all sources of income and the nature of any ownership in a business during the past year for the appointee and a spouse, parent, child, and sibling of the appointee. This would have to be updated annually and immediately upon any significant change. The disclosure statement would be subject to the Freedom of Information Act. The MSF president, or a designee, would check any recommendation made by an entrepreneur-in-residence against the disclosure statement for the existence of a conflict of interest.

Informal Work Group

The MSF president could establish an informal work group of entrepreneurs-in-residence to discuss best practices, experiences, obstacles, opportunities, and recommendations.

FISCAL IMPACT:

The bill would have no fiscal impact on state or local government.

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