

HOUSE BILL No. 4482

March 20, 2013, Introduced by Rep. Foster and referred to the Committee on Commerce.

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending section 7 (MCL 125.2007), as amended by 2005 PA 225.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. The fund shall have the powers and duties provided in
2 this act, the powers delegated by other laws or executive orders,
3 including, but not limited to, the power to:

4 (a) Sue and be sued; to have a seal and alter the same at
5 pleasure; to have perpetual succession; to make, execute, and
6 deliver contracts, conveyances, and other instruments necessary or
7 convenient to the exercise of its powers; and to make and amend
8 bylaws.

9 (b) Solicit and accept gifts, grants, loans, and other aids
10 from any person or the federal, state, or a local government or any

1 agency of the federal, state, or a local government, or to
2 participate in any other way in any federal, state, or local
3 government program.

4 (c) Make grants, loans, and investments; to guarantee and
5 insure loans, leases, bonds, notes, or other indebtedness, whether
6 public or private; and to issue letters of credit.

7 (d) Construct; acquire by gift, purchase, installment
8 purchase, or lease; and reconstruct, improve, repair, or equip a
9 project or any part of a project.

10 (e) Borrow money and issue bonds and notes to finance part or
11 all of the project costs of a project, or of a loan under
12 subdivision (r) for an export transaction, and to secure those
13 bonds and notes by mortgage, assignment, or pledge of any of its
14 money, revenues, income, and properties. The authority provided by
15 this subdivision includes, but is not limited to, issuing bonds and
16 notes to acquire and install machinery, equipment, furnishings, and
17 other personal property, notwithstanding that the fund does not own
18 or propose to own or finance the building or land in or near to
19 which the machinery, equipment, furnishings, and other personal
20 property is or is to be located.

21 (f) Acquire or contract to acquire from any person,
22 municipality, the federal or state government, or any agency of the
23 foregoing, or otherwise, leaseholds, real or personal property or
24 any interest in real or personal property; to own, hold, clear,
25 improve, and rehabilitate and to sell, assign, exchange, transfer,
26 convey, lease, mortgage, or otherwise dispose of or encumber
27 leaseholds, real or personal property or any interest in real or

1 personal property, as is convenient for the accomplishment of the
2 purposes of this act and of the fund.

3 (g) Procure insurance against any loss in connection with the
4 fund's property, assets, or activities.

5 (h) Invest any money of the fund at the fund's discretion, in
6 any obligations determined proper by the fund, and name and use
7 depositories for its money.

8 (i) Engage personnel as is necessary and engage the services
9 of private consultants, managers, counsel, auditors, engineers, and
10 scientists for rendering professional management and technical
11 assistance and advice, payable out of any money of the fund legally
12 available for this purpose.

13 (j) Charge, impose, and collect fees and charges in connection
14 with any transaction and provide for reasonable penalties for
15 delinquent payment of fees or charges.

16 (k) Indemnify and procure insurance indemnifying any members
17 of the board from personal loss or accountability from liability
18 asserted by a person on the bonds or notes of the fund or from any
19 personal liability or accountability by reason of the issuance of
20 the bonds, notes, insurance, or guarantees; by reason of
21 acquisition, construction, ownership, or operation of a project; or
22 by reason of any other action taken or the failure to act by the
23 fund.

24 (l) Enter into a lease for the use or sale of a project. The
25 lease may provide for options to purchase or renew.

26 (m) Mortgage or create security interests in a project or any
27 part of a project, or in a lease or loan, or in the rents,

1 revenues, or sums to be paid thereunder, in favor of the holders of
2 the bonds or notes issued by the fund.

3 (n) Convey or release a project or any part of a project to a
4 lessee, purchaser, or borrower under any agreement after provision
5 has been made for the retirement in full of the bonds or notes
6 issued for that project under terms and conditions provided in the
7 agreement or as may be agreed with the holders of the bonds or
8 notes, at any time where the obligation of the lessee, purchaser,
9 or borrower to make the payments prescribed shall remain fixed as
10 provided in the agreement notwithstanding the conveyance or
11 release, or as may otherwise be agreed with the holders of the
12 bonds or notes.

13 (o) Make loans, participate in the making of loans, undertake
14 commitments to make loans and mortgages, buy and sell loans and
15 mortgages at public or private sale, rewrite loans and mortgages,
16 discharge loans and mortgages, foreclose on a mortgage, commence an
17 action to protect or enforce a right conferred upon the fund by a
18 law, mortgage, loan, contract, or other agreement, bid for and
19 purchase property which was the subject of the mortgage at a
20 foreclosure or other sale, acquire or take possession of the
21 property and in that event complete, administer, pay the principal
22 and interest on obligations incurred in connection with that
23 property, and dispose of and otherwise deal with the property, in a
24 manner as may be necessary or desirable to protect the interests of
25 the fund.

26 (p) Certify, for the purpose of determining eligible
27 investments for the basis of a single business tax credit, minority

1 venture capital companies, as defined by law.

2 (q) Except as otherwise provided in this subdivision, to
3 create and operate centers, accounts, and funds as required or
4 permitted by law for the use and disbursement of assets of the
5 fund. The powers granted under this subdivision do not apply to
6 chapter 8A.

7 (r) ~~To make~~ **MAKE** loans to a financial institution to
8 facilitate financing of all or part of an export related
9 transaction including, but not limited to, pre-export working
10 capital financing and postexport receivable financing.

11 (S) **PROCURE GOODS AND SERVICES, PURCHASE AND SELL REAL AND**
12 **PERSONAL PROPERTY, AND LEASE PROPERTY INDEPENDENT OF ANY OTHER**
13 **DEPARTMENT OR STATE AGENCY.**

14 (T) **APPOINT INDIVIDUALS TO PRIVATE OR INDEPENDENT BOARDS TO**
15 **REPRESENT THE INTERESTS OF THE FUND.**

16 (U) **ESTABLISH A PROGRAM WHERE ENTITIES CAN INVEST IN AND**
17 **COLLECT A RETURN ON INVESTMENT IN PROGRAMS, PROJECTS, ECONOMIC**
18 **DEVELOPMENT PROJECTS, INVESTMENTS, OR INVESTMENT FUNDS OR OTHER**
19 **PROGRAMS OR VENTURES DESCRIBED IN THIS ACT.**

20 (V) **ESTABLISH AND OPERATE A JOB TRAINING FUND THAT WILL**
21 **SUPPORT THE TRAINING OF WORKERS FOR MICHIGAN BUSINESSES AS**
22 **DETERMINED BY THE FUND.**

23 (W) **ESTABLISH AND OPERATE A COMMUNITY REVITALIZATION**
24 **INVESTMENT PROGRAM THAT PROVIDERS CAPITAL FOR PROJECTS AS**
25 **DETERMINED BY THE FUND.**

26 (X) ~~(s)~~ Do all other things necessary or convenient to achieve
27 the objectives and purposes of the fund, this act, or other laws

1 that relate to the purposes and responsibilities of the fund.