

HOUSE BILL NO. 4835

August 28, 2019, Introduced by Rep. Brann and referred to the Committee on Commerce and Tourism.

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
(MCL 125.2001 to 125.2094) by adding chapter 7A.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER 7A

Sec. 79a. As used in this chapter:

(a) "Small business growth acceleration board" or "board" means the small business growth acceleration board created in section 79b.

(b) "Small business administrator" or "administrator" means



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1 the small business administrator described in section 79b.

2 Sec. 79b. (1) The small business growth acceleration board is
3 created as an advisory body in the fund. The board shall advise the
4 fund, governor, and legislature regarding the creation and
5 management of programs and the appropriate scale of those programs
6 that promote small business growth within this state.

7 (2) The principal executive officer of the board is the small
8 business administrator, who shall be appointed by the governor with
9 the advice and consent of the senate.

10 (3) The individual appointed administrator shall be qualified
11 by training and experience to perform the duties and exercise the
12 powers of the administrator and the board as provided in this
13 chapter.

14 (4) The governor may remove the administrator from office for
15 cause, including, but not limited to, incompetence, official
16 misconduct, habitual or willful neglect of duty, or other
17 misfeasance or malfeasance in connection with the operation of the
18 board. The governor shall report the reason for the removal to the
19 legislature.

20 (5) The administrator shall not be actively involved in
21 political party activities or publicly endorse, solicit funds for,
22 or make contributions to political parties or candidates for
23 elective office. The administrator shall not engage in any other
24 occupation, business, or profession likely to detract from the
25 full-time performance of his or her duties as administrator or to
26 result in a conflict of interest or an appearance of impropriety or
27 partiality.

28 Sec. 79c. (1) The board shall consist of the following
29 members, appointed by the governor, and each member shall be a



1 resident of this state and have experience in small business
2 ownership or operations:

3 (a) The small business administrator, as chairperson.

4 (b) The small business director, within the department of
5 labor and economic opportunity.

6 (c) Three individuals, 1 who is the owner of a minority-owned
7 business and 1 who is the owner of a woman-owned business.

8 (d) One member appointed from a list of 2 or more individuals
9 nominated by the senate majority leader.

10 (e) One member appointed from a list of 2 or more individuals
11 nominated by the speaker of the house of representatives.

12 (2) The members first appointed to the board shall be
13 appointed within 90 days after the effective date of the amendatory
14 act that added this chapter.

15 (3) Members of the board shall serve for terms of 4 years or
16 until a successor is appointed, whichever is later, except that of
17 the members first appointed under subsection (1)(c), (d), and (e),
18 2 shall serve for 2 years, and 3 shall serve for 3 years.

19 (4) If a vacancy occurs on the board, the governor shall make
20 an appointment for the unexpired term in the same manner as the
21 original appointment.

22 (5) The governor may remove a member of the board for
23 incompetence, dereliction of duty, malfeasance, misfeasance, or
24 nonfeasance in office, or any other good cause.

25 (6) A majority of the members of the board constitute a quorum
26 for the transaction of business at a meeting of the board. A
27 majority of the members present and serving are required for
28 official action of the board.

29 (7) The business that the board may perform shall be conducted



1 at a public meeting of the board held in compliance with the open
2 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

3 (8) A writing prepared, owned, used, in the possession of, or
4 retained by the board in the performance of an official function is
5 subject to the freedom of information act, 1976 PA 442, MCL 15.231
6 to 15.246.

7 (9) Members of the board shall serve without compensation.
8 However, members of the board may be reimbursed for their actual
9 and necessary expenses incurred in the performance of their
10 official duties as members of the board.

11 (10) The board shall identify, prioritize, and recommend small
12 business growth acceleration services and programs that require
13 government involvement and attention.

14 (11) The board may do 1 or more of the following:

15 (a) Develop and recommend acceleration services for small
16 businesses as follows:

17 (i) Providing mentor-match initiatives.

18 (ii) Providing consultant matching.

19 (iii) Providing resource navigation.

20 (iv) Providing peer support services.

21 (v) Designing or adopting performance metrics for small
22 businesses that track outcomes of state investments.

23 (b) Create a system that tracks the needs of small businesses
24 to match small businesses with appropriate service providers and
25 measure outcomes.

26 (c) Implement a strategy that leverages public and private
27 funding for service providers and small businesses to help
28 accelerate growth.

29 (d) Assist in awarding of state contracts to qualified small



1 businesses by removing barriers to small businesses to create a
2 level playing field, including, but not limited to, 1 or more of
3 the following:

4 (i) Developing small business certification for the purpose of
5 the procurement process.

6 (ii) Setting goals or expectations of contracts awarded.

7 (iii) Establishing a recognition or reward for businesses with
8 large state contracts for subcontracting with certified small
9 businesses.

