

SENATE BILL NO. 473

June 26, 2025, Introduced by Senator SINGH and referred to Committee on Government Operations.

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending sections 9 and 90j (MCL 125.2009 and 125.2090j),
section 9 as amended by 2024 PA 117 and section 90j as added by
2017 PA 109, and by adding chapter 8F; and to repeal acts and parts
of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) The fund shall transmit to each member of the
2 legislature, the governor, the clerk of the house of
3 representatives, the secretary of the senate, and the senate and

1 house fiscal agencies annually a report of its activities. The
2 report must be transmitted not later than April 10 of each year for
3 activities in the immediately preceding state fiscal year. The
4 report must not include information exempt from disclosure under
5 section 5. The report must include, but is not limited to, all of
6 the following for each program operated under this act:

7 (a) A list of entities that received financial assistance.

8 (b) The type of project or product being financed.

9 (c) The amount and type of financial assistance.

10 (d) For each separate form of financial assistance, all of the
11 following:

12 (i) The number of new jobs committed or projected when the
13 financial assistance was applied for.

14 (ii) The number of retained jobs committed or projected when
15 the financial assistance was applied for.

16 (iii) The actual number of new jobs created that are not
17 temporary employees.

18 (iv) The actual number of retained jobs that are not temporary
19 employees.

20 (v) The average annual salary of the new jobs created that are
21 not temporary employees.

22 (vi) The average annual salary of the retained jobs that are
23 not temporary employees.

24 (e) The duration of the financial assistance.

25 (f) The amount of financial support other than state
26 resources.

27 (g) Money or other revenue or property returned to the fund,
28 including any repayments through a clawback provision in the
29 agreement.

(h) The status of all loans of the fund.

(i) A list of all entities that are in bankruptcy, of which the fund has received actual notice, filed by a direct recipient of an active single incentive of not less than \$500,000.00. In addition, the fund shall, ~~within~~ **not later than** 120 days after the fund receives notice, provide a report of the notice of bankruptcy on its website and forward the report to each of the following:

(i) The senate majority leader and the senate minority leader.

(ii) The speaker of the house and the house minority leader.

(iii) The members of the house ~~commerce and tourism~~ **economic competitiveness** committee.

(iv) The members of the house appropriations subcommittee on general government.

(v) The members of the senate economic and ~~small business~~ **community** development committee.

(vi) The members of the senate appropriations subcommittee on general government.

(j) A summary of the approximate administrative costs used to administer the programs and activities authorized under this act.

(k) Any other information as required by this section.

(2) The auditor general or a certified public accountant appointed by the auditor general annually shall conduct and remit to the legislature an audit of the fund **permitted under section 53 of article IV of the state constitution of 1963**, and, in the conduct of the audit, shall have access to all records of the fund at any time, whether or not confidential. Each audit required by this section must include a determination of whether the fund is likely to be able to continue to meet its obligations, including a report on the status of outstanding loans and agreements made by

1 the fund.

2 (3) The fund shall also transmit the audit described in
3 subsection (2) to the chairperson and minority vice-chairperson of
4 the senate appropriations subcommittee on general government and
5 the house of representatives appropriations subcommittee on general
6 government. The fund shall make the report and audit available to
7 the public on the fund's website.

8 (4) The report described in subsection (1) must also contain
9 all of the following that are related to a 21st century investment
10 made by the fund board under chapter 8A:

11 (a) The amount of qualified venture capital fund investments,
12 qualified mezzanine fund investments, and qualified private equity
13 fund investments under management in this state, including year-to-
14 year growth.

15 (b) The value of loan enhancement program investments,
16 qualified private equity fund investments, qualified mezzanine fund
17 investments, and qualified venture capital investments in qualified
18 businesses, including year-to-year growth.

19 (c) A statement of the amount of money in each loan reserve
20 fund established under the small business capital access program
21 required under chapter 8A.

22 (5) The report described in subsection (1) must also include,
23 but is not limited to, all of the following for all actions under
24 section 88r:

25 (a) The total actual amount of qualified investment attracted
26 under section 88r as reported to the fund.

27 (b) The total actual number of new jobs created under section
28 88r as reported to the fund.

29 (c) The actual amount of the grant, loan, or other economic

1 assistance made under section 88r separately for each qualified
2 business verified by the fund.

3 (d) For each qualified business, whether it is a new business,
4 whether it is an expansion of an existing business, or whether it
5 relocated from outside of this state.

6 (e) An evaluation of the aggregate return on investment that
7 this state realizes on the actual qualified new jobs and actual
8 qualified investment made by qualified businesses.

9 (6) The report described in subsection (1) must also include,
10 but is not limited to, all of the following for all actions under
11 chapter 8B:

12 (a) For tourism promotion efforts, all of the following:

13 (i) An itemized list, by market, of how much was spent, types
14 of media purchased, and target of the tourism promotion campaign.

15 (ii) The return on investment analysis that utilizes existing
16 baseline data and compares results with prior outcome evaluations
17 funded by Travel Michigan.

18 (b) For business development efforts, all of the following:

19 (i) An itemized list, by market, of how much was spent, types
20 of media purchased, and target of the business promotion campaign.

21 (ii) A performance analysis that compares the program or
22 campaign objectives and outcome of the campaign or program.

23 (7) The report described in subsection (1) must also include,
24 but is not limited to, all of the following for all actions under
25 section 90d:

26 (a) The total actual amount of private investment attracted
27 under section 90d as reported to the fund.

28 (b) The actual amount of the community revitalization
29 incentives made under chapter 8C separately for each project.

1 (c) The total actual amount of square footage revitalized or
2 added for each project approved under section 90d as reported to
3 the fund. When reporting square footage, the person must report the
4 square footage by category, including, but not limited to,
5 commercial, residential, or retail.

6 (d) The aggregate increase in taxable value of all property
7 subject to a written agreement under chapter 8C when established
8 and recorded by the local units of government and as reported to
9 the fund.

10 (e) The total actual number of residential units revitalized
11 or added for each project approved under section 90d as reported to
12 the fund.

13 (f) Each project that received a community revitalization
14 incentive outside the fund program standards and guidelines and why
15 the variance was given.

16 (8) Beginning on and after January 1, 2012, on a monthly basis
17 the fund shall provide exact copies of all information regarding
18 all actions under chapter 8C that is provided to board members of
19 the fund for the purpose of monthly board meetings, subject to
20 confidentiality under section 5, to each of the following and post
21 that information on the fund's website:

22 (a) The chairperson and minority vice-chairperson of the house
23 ~~commerce and tourism~~ **economic competitiveness** committee.

24 (b) The chairperson and minority vice-chairperson of the house
25 appropriations subcommittee on general government.

26 (c) The chairperson and minority vice-chairperson of the
27 senate economic and ~~small business~~ **community** development committee.

28 (d) The chairperson and minority vice-chairperson of the
29 senate appropriations subcommittee on general government.

(9) The report described in subsection (1) must also include a summary of the approximate administrative costs used to administer the programs and activities authorized in the following sections:

(a) Section 88b.

(b) Section 88h.

(c) Section 90b.

(10) The report described in subsection (1) must also include, but is not limited to, all of the following for all actions for business incubators approved by the fund after January 14, 2015:

(a) The number of new jobs created and projected new job growth by current clients of the business incubator.

(b) Amounts of other funds leveraged by current clients of the business incubator.

(c) Increases in revenue for current clients of the business incubator.

(11) The report described in subsection (1) must also include the actual repayments received by the fund for failure to comply with clawback provisions of the written agreement under all of the following:

(a) Section 78.

(b) Section 88d.

(c) Section 88k.

(d) Section 88q.

(e) Section 88r.

(f) Section 90b.

(g) Chapter 8F.

(12) Beginning on July 1, 2015, the fund shall post on the fund's website a list of each contract, agreement, or other written loan or grant documentation for financial assistance under sections

1 88r and 90b that the fund entered into or modified in the
2 immediately preceding fiscal year.

3 (13) Beginning on July 1, 2015, the fund shall post and update
4 periodically all of the following on its website for all loans made
5 under sections 88r and 90b:

6 (a) A description of the project for which the loan was made.

7 (b) The total amount of the loan.

8 (c) Whether payments on the loan balance are current or
9 delinquent.

10 (d) The interest rate of the loan.

11 (14) Beginning July 1, 2015, the report described in
12 subsection (1) must also contain all of the following for each
13 program that provides financial assistance under this act that
14 requires a site visit:

15 (a) A copy of the site visit guidelines for that program.

16 (b) The number of site visits conducted under that program.

17 (c) The chief compliance officer shall review and evaluate
18 compliance with the site visit guidelines.

19 (15) The fund shall post on its website and update
20 periodically all of the information described in subsection (14).

21 (16) The report described in subsection (1) must also include,
22 but is not limited to, all of the following for all written
23 agreements related to the good jobs for Michigan program created
24 under chapter 8D **or the more jobs for Michigan program created**
25 **under chapter 8F:**

26 (a) The name of the authorized business **or authorized**
27 **employer.**

28 (b) The number of certified new jobs **or protected jobs**
29 required to be **created or** maintained.

1 (c) The amount and duration of the withholding tax capture
2 revenues.

3 (17) The report described in subsection (1) must also include
4 the activities of the critical industry program described in
5 section 88s.

6 (18) The report described in subsection (1) must also include
7 the activities of the Michigan strategic site readiness program
8 described in section 88t.

9 (19) The fund shall cooperate with the department of treasury
10 and assist in preparing the report required under section 718 of
11 the income tax act of 1967, 1967 PA 281, MCL 206.718.

12 **(20) The MEDC may perform the administrative functions of the**
13 **fund under this section on behalf of the fund.**

14 **(21)** ~~(20)~~ As used in this section, "financial assistance"
15 means grants, loans, other economic assistance, and any other
16 incentives or assistance under this act.

17 Sec. 90j. (1) The good jobs for Michigan fund is created
18 within the state treasury. The state treasurer may receive money or
19 other assets from any source for deposit into the fund. The state
20 treasurer shall direct the investment of the fund. The state
21 treasurer shall credit all amounts deposited pursuant to section
22 ~~51f~~**51f(1)** of the income tax act of 1967, 1967 PA 281, MCL 206.51f,
23 to the fund and shall credit to the fund any interest and earnings
24 from fund investments. Money in the fund at the close of the fiscal
25 year ~~shall remain~~**remains** in the fund and ~~shall~~**does** not lapse to
26 the general fund.

27 (2) The good jobs for Michigan fund may be used only for 1 or
28 more of the following purposes:

29 (a) To make withholding tax capture revenue payments in

1 accordance with a written agreement to an authorized business
 2 ~~within not later than~~ 90 days after receipt of a request for
 3 payment and a copy of the withholding certificate issued under
 4 section 90i.

5 (b) To distribute an amount equal to 5% of the withholding tax
 6 capture revenue payments certified under section 90i to the
 7 Michigan strategic fund to pay for ~~administration~~**administrative**
 8 expenses.

9 CHAPTER 8F

10 Sec. 90t. As used in this chapter:

11 (a) "Affiliated business" means a person that is at least 50%
 12 owned and controlled, directly or indirectly, by an associated
 13 business.

14 (b) "Associated business" means a person that is at least 50%
 15 owned and controlled, directly or indirectly, by an eligible
 16 business.

17 (c) "Authorized employer" means an eligible business that has
 18 met the requirements under section 90w, 90x, or 90y, as applicable,
 19 and that has entered into a written agreement with the fund for
 20 withholding tax capture revenues under this chapter and section 51f
 21 of the income tax act of 1967, 1967 PA 281, MCL 206.51f, and any
 22 related business that also has entered into the written agreement
 23 with the fund.

24 (d) "Base employment level" means the number of full-time jobs
 25 in this state of an eligible business and any related business when
 26 the eligible business or related business enters into a written
 27 agreement under this chapter, as determined by the fund.

28 (e) "Casino" means a casino regulated by this state under the
 29 Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to

1 432.226, a casino at which gaming is conducted under the Indian
2 gaming regulatory act, Public Law 100-497, or property associated
3 or affiliated with the operation of either type of casino described
4 in this subdivision, including, but not limited to, a parking lot,
5 hotel, or motel.

6 (f) "Certified new job" means a full-time job created by an
7 authorized employer or connected employer pursuant to a written
8 agreement under section 90w or 90x at a facility that is in excess
9 of any base employment level or qualifying employment level
10 applicable under the written agreement.

11 (g) "Collocated employer" means a person that has entered into
12 a contract with an authorized employer to employ individuals at the
13 location of the facility of the authorized employer for a period of
14 1 or more years.

15 (h) "Connected employer" means a collocated employer or a
16 qualified supplier.

17 (i) "Eligible business" means a person other than a retail
18 establishment, professional sports stadium, casino, or that portion
19 of an eligible business used exclusively for retail sales that
20 proposes to create certified new jobs in this state under section
21 90w or 90x or maintain protected jobs in this state under section
22 90y and that, as determined by the fund, satisfies all of the
23 following:

24 (i) Is located in or plans to locate in this state.

25 (ii) Is organized pursuant to and in good standing under the
26 laws of the state in which the person was formed.

27 (iii) Is registered to conduct business in this state and is in
28 good standing under the laws of this state.

29 (iv) Has the power to enter into an agreement with the fund

1 under this chapter.

2 (j) "Eligible distressed area" means that term as defined in
3 section 11 of the state housing development authority act of 1966,
4 1966 PA 346, MCL 125.1411.

5 (k) "Facility" means a site or sites within this state in
6 which an authorized employer, connected employer, eligible
7 business, or related business creates or proposes to create
8 certified new jobs under section 90w or 90x or maintains or
9 proposes to maintain protected jobs under section 90y, as
10 determined by the fund.

11 (l) "Full-time job" means a job based in this state that is
12 performed by an individual who is employed for consideration for
13 not less than 35 hours of work each week and for whom an employer
14 withholds income taxes under the income tax act of 1967, 1967 PA
15 281, MCL 206.1 to 206.847, and United States Social Security taxes.

16 (m) "Geographically disadvantaged area" means a geographic
17 area in this state that includes 1 or more of the following:

18 (i) A qualified opportunity zone as that term is defined in 26
19 USC 1400Z-1.

20 (ii) A HUBZone as that term is defined in 13 CFR 126.103.

21 (n) "More jobs for Michigan fund" means the more jobs for
22 Michigan fund created in section 90v.

23 (o) "Prosperity region" means that term as defined in section
24 90g.

25 (p) "Prosperity region median wage" means the median annual
26 wage for the prosperity region where a facility is or will be
27 located based on the most recent data made available by the
28 Michigan bureau of labor market information and strategic
29 initiatives.

1 (q) "Protected jobs" means the number of full-time jobs at a
2 facility of an authorized employer maintained in this state on a
3 specific date as that date and number of full-time jobs are
4 determined by the fund.

5 (r) "Qualified supplier" means a person located or operating
6 in this state that meets all of the following requirements:

7 (i) Creates 25 or more new full-time jobs in this state as a
8 result of a new or increased business activity in this state
9 between the person and an authorized employer, eligible business,
10 or related business, as determined by the fund.

11 (ii) Provides both of the following to an authorized employer,
12 eligible business, or related business pursuant to a contract
13 between the person and the authorized employer, eligible business,
14 or related business:

15 (A) \$5,000,000.00 or more of tangible personal property or
16 services to the authorized employer, eligible business, or related
17 business in a calendar year, as determined by the fund.

18 (B) 10% or more of the total tangible personal property or
19 services provided to the authorized employer, eligible business, or
20 related business in a calendar year, as determined by the fund.

21 (s) "Qualifying employment level" means not less than 3,000
22 full-time jobs in this state with a median annual wage of 150% or
23 more of the prosperity region median wage as of a date provided in
24 a written agreement under section 90x.

25 (t) "Related business" means an affiliated business, an
26 associated business, or a subsidiary business.

27 (u) "Subsidiary business" means a person that is directly or
28 indirectly controlled or at least 80% owned by an eligible
29 business.

1 (v) "United States Consumer Price Index" means the United
2 States Consumer Price Index for All Urban Consumers as defined and
3 reported by the United States Department of Labor, Bureau of Labor
4 Statistics, including any successor index.

5 (w) "Withholding tax capture revenues" means the amount of
6 income tax withheld under chapter 17 of the income tax act of 1967,
7 1967 PA 281, MCL 206.701 to 206.718, each calendar year that is
8 attributable to individuals employed in certified new jobs under
9 section 90w or 90x or protected jobs under section 90y pursuant to
10 a written agreement.

11 (x) "Written agreement" means a written agreement made between
12 the fund and an eligible business under section 90w, 90x, or 90y
13 and any related business.

14 Sec. 90u. (1) The fund shall create the more jobs for Michigan
15 program to authorize the transfer of a dedicated portion of
16 withholding tax capture revenues to authorized employers that
17 provide certified new jobs in this state in excess of a base
18 employment level under section 90w, provide certified new jobs in
19 connection with a transformational job creation project in excess
20 of any base employment level or qualifying employment level under
21 section 90x, or maintain protected jobs in this state under section
22 90y. The program shall be operated and administered in compliance
23 with this chapter by the authorized employees, officers, and agents
24 of the fund, which may include employees of the MEDC. The board may
25 delegate to its president, its vice president, employees of the
26 fund, or employees or officers of the MEDC, the functions and
27 responsibilities under this chapter that the board considers
28 necessary or appropriate to administer this chapter. The fund shall
29 adopt program guidelines and use a detailed application, approval,

1 and compliance process that is published and available on the
2 fund's website.

3 (2) An eligible business and 1 or more related businesses may
4 apply to the fund under section 90w, 90x, or 90y to enter into a
5 written agreement that authorizes the payment of withholding tax
6 capture revenues under this chapter. Each applicant shall submit
7 with the application a certified schedule listing all violations
8 within the 3-year period immediately preceding the date of the
9 application. The schedule must include any information required by
10 the fund to comply with this subdivision. For any violation that is
11 not a resolved violation, the schedule must include an action plan
12 on resolving the violation. If the schedule or other information
13 available to the fund indicates that an applicant has a violation
14 that is not a resolved violation, the fund shall not enter into a
15 written agreement with the applicant unless the applicant submits
16 evidence, to the satisfaction of the fund, that there is a
17 sufficient action plan to resolve the violation or the violation is
18 in the process of being resolved. The fund shall not enter into a
19 written agreement with the applicant if the schedule or other
20 information available to the fund indicates that either of the
21 following applies:

22 (a) In the 3-year period immediately preceding the date of
23 application, the applicant has been issued 5 or more notices of
24 violation of environmental regulations, or has an administrative
25 consent order or a consent judgment involving environmental
26 regulations that includes stipulated penalties, unless the
27 department of environment, Great Lakes, and energy finds the
28 applicant has made improvements in operations to come into
29 compliance with this state's environmental regulations, or other

1 demonstrated ability to comply with this state's environmental
2 regulations.

3 (b) In the 3-year period immediately preceding the date of
4 application, the applicant was subject to any of the following:

5 (i) A criminal penalty under section 35(4) or 35a(4) of the
6 Michigan occupational safety and health act, 1974 PA 154, MCL
7 408.1035 and 408.1035a, for a willful or repeated violation of the
8 Michigan occupational safety and health act, 1974 PA 154, MCL
9 408.1001 to 408.1094, an order issued under that act, or a rule or
10 standard promulgated under that act.

11 (ii) A criminal conviction under section 35(5) or 35a(5) of the
12 Michigan occupational safety and health act, 1974 PA 154, MCL
13 408.1035 and 408.1035a, for a willful violation of the Michigan
14 occupational safety and health act, 1974 PA 154, MCL 408.1001 to
15 408.1094, an order issued under that act, or a rule or standard
16 promulgated under that act that causes the death of an employee.

17 (iii) Inclusion in the Michigan occupational safety and health
18 administration's severe violator enforcement program.

19 (3) The fund may request information, in addition to that
20 contained in an application and the schedule as the fund determines
21 necessary to permit the fund to discharge its responsibilities
22 under this chapter.

23 (4) The amount of withholding tax capture revenues certified
24 by the department of treasury to be paid to an authorized employer
25 may be reduced by not more than 4%, as determined by the fund and
26 provided in a written agreement, and that amount must be retained
27 by the fund or the MEDC for administrative expenses incurred by the
28 fund or the MEDC under this chapter. The fund may enter into an
29 agreement with the MEDC and the department of treasury regarding

1 the administration of this chapter and related administrative
2 expenses.

3 (5) A written agreement must include, without limitation,
4 information required under section 90w, 90x, or 90y, and all of the
5 following, as applicable:

6 (a) A description of any expansion, development, facility, or
7 location that is the subject of the written agreement.

8 (b) Conditions on which the designation as an authorized
9 employer is made.

10 (c) A statement from the authorized employer that the
11 authorized employer would not otherwise add certified new jobs
12 under section 90w or 90x or retain protected jobs under section 90y
13 as provided for under the written agreement without the withholding
14 tax capture revenue payments authorized under this chapter.

15 (d) A provision indicating that misrepresentation in an
16 application under this chapter may result in the revocation of the
17 designation as an authorized employer and the repayment of some or
18 all of the withholding tax capture revenues received under this
19 chapter, which may include a penalty equal to 10% of the
20 withholding tax capture revenue payments received under this
21 chapter.

22 (e) A method for measuring and verifying certified new jobs
23 required pursuant to the written agreement.

24 (f) A method for measuring and verifying protected jobs
25 maintained pursuant to the written agreement.

26 (g) A provision requiring the authorized employer that is
27 certified under this chapter for a payment from the more jobs for
28 Michigan fund to do both of the following:

29 (i) File the information, returns, or reports required under

1 this chapter and chapter 17 of the income tax act of 1967, 1967 PA
2 281, MCL 206.701 to 206.718, with the department of treasury.

3 (ii) Provide any other information reasonably requested by the
4 fund, the MEDC, or the department of treasury.

5 (h) A maximum amount of withholding tax capture revenues that
6 an authorized employer may claim before reduction of the not more
7 than 4% payment for administrative expenses under subsection (4),
8 as provided in the written agreement.

9 (i) Specific penalties for noncompliance with the written
10 agreement, including, but not limited to, provisions for a clawback
11 of disbursements to the authorized employer under the written
12 agreement, as provided in the written agreement.

13 (j) A provision for the termination of the written agreement.

14 (k) An audit provision requiring the fund to verify that the
15 authorized employer has satisfied the requirements of the written
16 agreement.

17 (l) A provision requiring the authorized employer to disclose
18 to the fund whether, to the knowledge of the authorized employer,
19 there are any pending legal proceedings that could have a
20 materially adverse effect on the authorized employer, a facility
21 that is the subject of the written agreement, or the performance of
22 the obligations of the authorized employer under the written
23 agreement.

24 (m) A provision requiring an authorized employer and any
25 general contractor or subcontractor of the authorized employer to
26 comply with any requirements applicable under laws specified in the
27 written agreement.

28 (n) A projected schedule of withholding tax capture revenues
29 permitted under the written agreement, which may be updated by the

1 fund to ensure an accurate projection of withholding tax capture
2 revenues and compliance with this chapter during the term of the
3 written agreement.

4 (6) On execution of a written agreement under this chapter, an
5 eligible business and any related business is an authorized
6 employer. The fund shall provide a copy of each written agreement
7 to the department of treasury. On execution of the written
8 agreement, the transfer and payment of withholding tax capture
9 revenues as specified in this chapter and in the written agreement
10 is binding on this state and the authorized employer. The state
11 treasurer shall calculate, based on this chapter and the written
12 agreements received under this subsection, the amount of
13 withholding tax capture revenues collected as a result of the
14 certified new jobs created or protected jobs maintained pursuant to
15 this chapter and those written agreements for each calendar year
16 and the percentage of that amount that needs to be transferred from
17 the general fund and deposited, in accordance with section 51f of
18 the income tax act of 1967, 1967 PA 281, MCL 206.51f, into the more
19 jobs for Michigan fund. The fund shall issue payments to the
20 authorized employer in a manner consistent with this chapter and
21 retain money for administration of this chapter as permitted by
22 this chapter.

23 (7) The state treasurer shall develop methods and processes
24 that are necessary for the authorized employer to report the amount
25 of withholding under chapter 17 of the income tax act of 1967, 1967
26 PA 281, MCL 206.701 to 206.718, from individuals employed in
27 certified new jobs or protected jobs and for the determination of
28 withholding tax capture revenues under this chapter and the income
29 tax act of 1967, 1967 PA 281, MCL 206.1 to 206.847.

1 (8) The fund may enter into agreements with an eligible
2 business other than an authorized employer, including, but not
3 limited to, a connected employer, as the fund determines necessary
4 for the implementation and enforcement of this chapter and a
5 written agreement with an authorized employer under this chapter.

6 (9) Subject to any limits applicable under this section or
7 section 90w, 90x, or 90y, an authorized employer is eligible to
8 receive withholding tax capture revenue payments under this chapter
9 as provided in this chapter.

10 (10) Except as otherwise provided under subsection (11), the
11 fund shall issue a withholding certificate each calendar year to an
12 authorized employer pursuant to the written agreement that states
13 all of the following:

14 (a) That the authorized employer is an authorized employer
15 under this chapter.

16 (b) The amount of withholding tax capture revenues to be paid
17 to the authorized employer from the more jobs for Michigan fund for
18 the designated calendar year.

19 (c) The authorized employer's federal employer identification
20 number or the Michigan treasury number assigned to the authorized
21 employer, or both.

22 (11) The fund shall provide the department of treasury with a
23 copy of each withholding certificate issued under this section. On
24 receipt of a withholding certificate, an authorized employer may
25 request a payment from the more jobs for Michigan fund by filing a
26 copy of the withholding certificate with the fund. The fund shall
27 issue the withholding tax capture revenue payment from the more
28 jobs for Michigan fund not later than 90 days after receipt of the
29 request for payment from the authorized employer.

1 (12) The fund may retain an amount that is not more than 4% of
2 the withholding tax capture revenue payments authorized for that
3 year for the fund and the MEDC as provided in written agreements.
4 The fund may use the amount described in this subsection to pay for
5 the administrative expenses under this chapter. The fund may use
6 application fees or administrative fees received for activities
7 authorized under this chapter and for the administrative activities
8 of the fund and the MEDC authorized under this chapter.

9 (13) As a condition of being an authorized employer, an
10 authorized employer authorizes the fund to identify the authorized
11 employer and disclose the amount and duration of the withholding
12 tax capture revenue payments. The fund shall publish the
13 information described in this subsection on the fund's website and
14 include this information in the report required under section 9.

15 (14) The legislature finds and declares that activity under
16 this chapter to promote economic development and support job
17 creation and protection in this state is for a public purpose.

18 (15) The fund may not enter into a new agreement under this
19 chapter after December 31, 2032.

20 (16) As used in subsection (2):

21 (a) "Resolved violation" means a violation where the terms of
22 a settlement, consent agreement, conviction, decision, or other
23 final determination has been fully satisfied.

24 (b) "Violation" means a formal enforcement action issued by
25 this state, a political subdivision of this state, or the federal
26 government in response to a violation of environmental,
27 occupational safety, or public health regulations that has occurred
28 in this state, including, but not limited to, a violation notice,
29 enforcement notice, order to correct, licensing violation notice,

1 and stop work order.

2 Sec. 90v. (1) The more jobs for Michigan fund is created in
3 the state treasury.

4 (2) The state treasurer shall deposit money and assets
5 received under section 51f(2) of the income tax act of 1967, 1967
6 PA 281, MCL 206.51f, or from any other source in the more jobs for
7 Michigan fund. The state treasurer shall direct the investment of
8 money in the more jobs for Michigan fund and credit interest and
9 earnings from the investments to the more jobs for Michigan fund.

10 (3) Money in the fund at the close of the fiscal year remains
11 in the fund and does not lapse to the general fund.

12 (4) The fund is the administrator of the more jobs for
13 Michigan fund for audits of the more jobs for Michigan fund.

14 (5) The fund shall expend money from the more jobs for
15 Michigan fund, on appropriation, only to make withholding tax
16 capture revenue payments in accordance with a written agreement
17 within 90 days after receipt of a request for payment and a copy of
18 the withholding certificate issued under this chapter.

19 (6) For any future state fiscal year that the fund, after
20 consultation with the department of treasury, projects that
21 withholding tax capture revenue payments will be required to be
22 paid to an authorized employer under this chapter, the fund shall
23 notify the state budget director of that required activity for
24 inclusion in annual proposals developed by the state budget
25 director under section 344 of the management and budget act, 1984
26 PA 431, MCL 18.1344. In preparing an executive budget for that
27 fiscal year for submission to the legislature as provided in
28 section 348 of the management and budget act, 1984 PA 431, MCL
29 18.1348, the state budget director shall include an appropriation

1 from the more jobs for Michigan fund for the purpose of making
2 withholding tax capture revenue payments from the more jobs for
3 Michigan fund required under this chapter. The legislature shall
4 appropriate money from the more jobs for Michigan fund for the
5 purpose of making payments from the more jobs for Michigan fund
6 required under this chapter.

7 Sec. 90w. (1) After receipt of an application in a form
8 determined by the fund, the fund may enter into an agreement with
9 the applicant for withholding tax capture revenues under this
10 chapter if the fund determines that all of the following
11 requirements are or will be satisfied:

12 (a) Subject to subdivisions (b) and (c), the applicant
13 proposes to create at a facility 1 or more of the following:

14 (i) 25 or more certified new jobs that pay at least 175% of the
15 prosperity region median wage.

16 (ii) 25 or more certified new jobs at a facility in a county
17 with a population of 50,000 or less that pay at least 135% of the
18 prosperity region median wage.

19 (iii) 250 or more certified new jobs that pay at least 150% of
20 the prosperity region median wage.

21 (iv) 1,000 or more certified new jobs that pay at least 150% of
22 the prosperity region median wage, if the applicant also proposes
23 investments in the facility that exceed \$1,000,000,000.00.

24 (b) Except as otherwise provided in subdivision (c), an
25 applicant must meet 1 of the following timelines, as applicable, or
26 both the applicant and the fund are released from the written
27 agreement:

28 (i) For an applicant whose location or expansion in this state
29 requires construction, including renovations or new construction,

1 the following timeline:

2 (A) The applicant must begin construction not later than 3
3 years after the date the written agreement is executed.

4 (B) The applicant must complete its first hire of an
5 individual to fill a certified new job not later than 2 years after
6 the start of construction.

7 (C) The applicant must create the certified new jobs as
8 provided in the written agreement and begin receiving withholding
9 tax capture revenues not later than 3 years after its first hire as
10 described in sub-subparagraph (B).

11 (ii) For an applicant whose location or expansion in this state
12 does not require construction, the following timeline:

13 (A) The applicant must complete its first hire of an
14 individual to fill a certified new job not later than 3 years after
15 the date the written agreement is executed.

16 (B) The applicant must create the certified new jobs as
17 provided in the written agreement and begin receiving withholding
18 tax capture revenues not later than 3 years after its first hire as
19 described in sub-subparagraph (A).

20 (c) The fund shall notify an applicant of an applicable
21 deadline under subdivision (b) not less than 90 days before the
22 deadline. The fund may extend an applicable deadline under
23 subdivision (b) for 1 year if the fund determines that the
24 applicant has proceeded in good faith with a location or expansion
25 in this state and there is good cause for the applicant's delay in
26 meeting the deadline. The fund may request, and the applicant shall
27 provide, any information the fund considers necessary to make the
28 determination under this subdivision.

29 (d) In addition to the certified new jobs specified in

1 subdivision (a), the applicant, if already located within this
2 state, agrees to a base employment level, as determined by the
3 fund.

4 (e) The plans for the creation of certified new jobs and any
5 renovation or new construction of a facility are economically
6 sound.

7 (f) The investment by the applicant and the creation of
8 certified new jobs in this state will serve the public purpose of
9 benefiting the people of this state by increasing opportunities for
10 employment and by strengthening the economy of this state as
11 determined by the fund.

12 (g) The withholding tax capture revenues offered under this
13 section and paid from the more jobs for Michigan fund are an
14 incentive to expand or locate the applicant in this state,
15 including, but not limited to, addressing a need for additional
16 assistance for deal closing or second stage company gap financing.

17 (h) A regional economic model cost benefit analysis recognized
18 by economic development professionals indicates that the proposed
19 payment of withholding tax capture revenues under this section to
20 the applicant will result in an overall positive fiscal impact to
21 this state.

22 (i) The applicant will create the requisite number of
23 certified new jobs within the time period provided in a written
24 agreement, as determined by the fund.

25 (j) The applicant will maintain the base employment level and
26 not less than the requisite number of certified new jobs throughout
27 the duration of the period of time that the applicant receives
28 withholding tax capture revenues paid from the more jobs for
29 Michigan fund. However, if the applicant fails to maintain the base

1 employment level and the requisite number of certified new jobs as
2 provided in the written agreement, the applicant will forfeit
3 withholding tax capture revenues for the period of time provided in
4 the written agreement.

5 (k) The applicant demonstrates to the satisfaction of the fund
6 that the applicant has paid taxes levied by the federal government,
7 this state, another state, or a political subdivision of this state
8 or another state that are due and payable by the applicant before
9 any penalty for nonpayment of the tax has attached, except for
10 taxes contested in good faith and pursuant to proceedings
11 authorized by law.

12 (l) The governing body of the municipality in which the
13 facility or proposed facility is located indicates its support for
14 the proposed expansion or new location.

15 (m) The applicant provides detailed hiring and training plans,
16 including any registered apprenticeships or certifications
17 provided, and agrees to coordinate with local workforce development
18 agencies, including local Michigan Works! Agencies, to attract and
19 train, if needed, a qualified workforce. As used in this
20 subdivision, "local Michigan Works! Agency" means a Michigan works
21 agency as that term is defined in section 3 of the Michigan works
22 one-stop service center system act, 2006 PA 491, MCL 408.113.

23 (2) If the fund determines that all of the requirements under
24 subsection (1) are or will be satisfied, subject to subsections (3)
25 and (4), the fund shall determine the amount and duration of the
26 withholding tax capture revenues to be authorized for the applicant
27 and shall enter into a written agreement as provided in this
28 chapter for a duration determined by the fund. Subject to
29 subsections (3) and (4), in determining the maximum amount and

1 maximum duration of the withholding tax capture revenues
2 authorized, the fund shall consider the following factors, if
3 applicable:

4 (a) The number of certified new jobs to be created.

5 (b) The degree to which the median annual wage of the
6 certified new jobs exceeds the prosperity region median wage.

7 (c) Whether providing an incentive for the creation of the
8 certified new jobs in this state aligns with any strategic plan for
9 state economic development applicable to the fund.

10 (d) Whether the certified new jobs created would be located in
11 an eligible distressed area or a geographically disadvantaged area.

12 (e) The level of investment by the applicant in relation to
13 the number of certified new jobs the applicant proposes to create.

14 (f) The potential impact of a proposed expansion, development,
15 or location on the economy of this state and the overall positive
16 return to this state.

17 (g) Whether the applicant has made a written commitment to
18 fund some portion of costs for applicable training of the
19 individuals who will perform the certified new jobs that will lead
20 to a professional or technical certification for these individuals.

21 (h) Whether the applicant will make a good-faith effort to
22 employ, if qualified, residents of this state at a facility.

23 (i) Whether the expansion or location of the applicant will
24 support or enable progress toward the following goals:

25 (i) Community enhancement or engagement opportunities.

26 (ii) Investing in this state's labor and workforce.

27 (iii) Enacting a workforce plan that includes recruitment,
28 hiring, training strategies, and advancement strategies for
29 employees.

1 (3) Subject to subsection (4), the fund may allow an applicant
2 to receive up to 100% of withholding tax capture revenues for
3 certified new jobs for a period of not more than 10 years.

4 (4) The fund may extend the period for payment of withholding
5 tax capture revenues by not more than an additional 10 years if the
6 applicant proposes to create not less than 1,000 certified new jobs
7 and also proposes investments in the facility that exceed
8 \$1,000,000,000.00, as determined by the fund.

9 (5) As used in this section, "applicant" means the eligible
10 business that submits an application to enter into a written
11 agreement under this section and any related business that also
12 will be a party to the written agreement.

13 Sec. 90x. (1) After receipt of an application in a form
14 determined by the fund, the fund may enter into a written agreement
15 with an applicant for withholding tax capture revenues under this
16 chapter if the fund determines that all of the following
17 requirements are or will be met:

18 (a) The applicant proposes a transformational job creation
19 project that will do both of the following:

20 (i) Create or provide for the creation of 3,000 or more
21 certified new jobs, in excess of any applicable base employment
22 level and the qualifying employment level, with a median annual
23 wage of 150% or more of the prosperity region median wage by a date
24 provided in the written agreement.

25 (ii) Invest \$20,000,000,000.00 or more in excess of the
26 qualifying investment level in a proposed facility by a date to be
27 included in the written agreement with the applicant.

28 (b) The applicant proposes to create the certified new jobs
29 specified in subdivision (a) not more than 10 years after achieving

1 the qualifying employment level.

2 (c) The facility and the creation of the certified new jobs
3 are determined by the fund to be in the economic interests of this
4 state.

5 (d) The facility and the creation of certified new jobs will
6 benefit the people of this state by increasing activities for
7 employment and strengthening the economy of this state, as
8 determined by the fund.

9 (e) The withholding tax capture revenues available under this
10 chapter and paid from the more jobs for Michigan fund are an
11 incentive to expand or locate the applicant in this state and
12 address the economic competitiveness of this state, as determined
13 by the fund.

14 (f) The qualifying employment level and qualifying investment
15 level will be reached within not more than 10 years as provided in
16 the written agreement.

17 (g) Any applicable base employment level and the qualifying
18 employment level will be maintained throughout the duration of the
19 period of time that the applicant receives withholding tax capture
20 revenues paid from the more jobs for Michigan fund.

21 (h) The applicant demonstrates to the satisfaction of the fund
22 that the applicant has paid taxes levied by the federal government,
23 this state, another state, or a political subdivision of this state
24 or another state that are due and payable by the applicant before
25 any penalty for nonpayment of the tax has attached, except for
26 taxes contested in good faith and pursuant to proceedings
27 authorized by law.

28 (2) If the fund determines that all of the requirements under
29 subsection (1) are or will be met, subject to subsection (3), the

1 fund shall determine the amount and duration of the withholding tax
2 capture revenues to be authorized under this section and shall
3 enter into a written agreement as provided in this section for a
4 duration determined by the fund. Subject to subsection (3), in
5 determining the maximum amount and maximum duration of the
6 withholding tax capture revenues authorized in the written
7 agreement, the fund shall consider the following factors, if
8 applicable:

9 (a) The number of certified new jobs to be created.

10 (b) The degree to which the median annual wage of the
11 certified new jobs exceeds the median annual wage in the prosperity
12 region in which the proposed facility would be located.

13 (c) The potential impact of the proposed expansion,
14 development, or location on the economy of this state.

15 (d) The estimated amount of withholding tax capture revenues
16 under this section and the value of assistance provided by persons
17 or entities other than this state.

18 (e) Whether the proposed expansion, development, or location
19 will occur in this state without the payment of withholding tax
20 capture revenues offered under this section.

21 (f) Whether the applicant has approval for a grant, loan, or
22 other financial assistance for the investment in the facility from
23 the federal government or would be eligible to claim a federal
24 investment tax credit for the investment in the facility.

25 (3) The fund may allow an applicant to receive up to 100% of
26 withholding tax capture revenues for certified new jobs for a
27 period of not more than 30 years.

28 (4) As used in this section:

29 (a) "Applicant" means the eligible business that submits an

1 application to enter into a written agreement under this section
2 and any related business that also will be a party to the written
3 agreement.

4 (b) "Qualifying investment level" means an investment of not
5 less than \$20,000,000,000.00 made at a facility as of a date
6 provided in a written agreement.

7 Sec. 90y. (1) After receipt of an application in a form
8 determined by the fund, the fund may enter into a written agreement
9 under this chapter with an eligible business located in this state
10 for withholding tax capture revenues as provided under this section
11 if the fund determines that all of the following requirements are
12 or will be satisfied:

13 (a) The eligible business satisfies 1 or more of the
14 following:

15 (i) The eligible business maintains its North American
16 headquarters or global headquarters in this state.

17 (ii) The eligible business has at least 30% of its business
18 activity in this state engaged in nonmanufacturing activities.

19 (iii) The principal business operations of the eligible business
20 are located in this state.

21 (b) The eligible business proposes to maintain at a facility
22 50 or more full-time jobs within this state that otherwise are at
23 risk of transfer to another state or elimination.

24 (c) The eligible business proposes to maintain during the term
25 of a written agreement with the fund a base employment level,
26 including any protected jobs.

27 (d) The eligible business proposes to maintain during the term
28 of a written agreement with the fund annual payroll payments for
29 its full-time employees in this state at an amount equal to or

1 greater than annual payroll payments of the eligible business
2 during the calendar year immediately preceding the date the written
3 agreement is executed.

4 (e) The eligible business proposes to make new investments in
5 this state not later than 5 years after the date the written
6 agreement is executed equal to not less than \$100,000.00 for each
7 protected job maintained under subdivision (b).

8 (f) The eligible business proposes to make additional
9 investment in this state during the term of the written agreement.

10 (g) The investment by the eligible business and the
11 maintenance of a base employment level, including any protected
12 jobs in this state, will serve the public purpose of benefiting the
13 people of this state by maintaining opportunities for employment
14 and by strengthening the economy of this state, as determined by
15 the fund.

16 (h) The withholding tax capture revenues offered under this
17 section and paid from the more jobs for Michigan fund are an
18 incentive to maintain the protected jobs in this state.

19 (i) A regional economic model cost benefit analysis recognized
20 by economic development professionals indicates that the proposed
21 payment of withholding tax capture revenues under this section to
22 an eligible business will avoid an overall negative fiscal impact
23 to this state.

24 (j) The eligible business will maintain the base employment
25 level and the payroll for the protected jobs throughout the
26 duration of the written agreement. However, if the eligible
27 business fails to maintain the base employment level, including the
28 requisite number of protected jobs as provided in the written
29 agreement, the eligible business will forfeit withholding tax

1 capture revenues as provided in the written agreement.

2 (k) The eligible business demonstrates to the satisfaction of
3 the fund that the eligible business has paid taxes levied by the
4 federal government, this state, another state, or a political
5 subdivision of this state or another state that are due and payable
6 by the eligible business before any penalty for nonpayment of the
7 tax has attached, except for taxes contested in good faith and
8 pursuant to proceedings authorized by law.

9 (2) If the fund determines that all of the requirements under
10 subsection (1) are or will be satisfied, subject to subsection (3),
11 the fund shall determine the amount and duration of the withholding
12 tax capture revenues to be authorized under this section and shall
13 enter into a written agreement as provided in this section for a
14 duration determined by the fund. Subject to subsection (3), in
15 determining the maximum amount and maximum duration of the
16 withholding tax capture revenues authorized, the fund shall
17 consider the following factors, if applicable:

18 (a) The base employment level and the number of protected jobs
19 to be maintained.

20 (b) Whether providing an incentive for the maintenance of the
21 protected jobs in this state aligns with any strategic plan for
22 state economic development applicable to the fund.

23 (c) Whether the protected jobs maintained are located in an
24 eligible distressed area or a geographically disadvantaged area.

25 (d) The impact of maintaining the protected jobs on the supply
26 chain in this state.

27 (e) The level of investment by the eligible business in
28 relation to the number of protected jobs the eligible business
29 proposes to maintain.

1 (f) The potential impact of maintenance of the protected jobs
2 on the economy of this state and the overall positive return to
3 this state.

4 (3) The fund may allow an eligible business to receive up to
5 100% of withholding tax capture revenues for protected jobs for a
6 period of not more than 20 years.

7 (4) As used in this section, "principal business operations"
8 means the location or locations of a person where not less than 60%
9 of its employees work or where employees of the person paid not
10 less than 60% of the person's total payroll expenditures perform
11 work for the person.

12 Enacting section 1. The Michigan business tax act, 2007 PA 36,
13 MCL 208.1101 to 208.1519, is repealed effective for tax years that
14 begin after December 31, 2030.

15 Enacting section 2. The Michigan economic growth authority
16 act, 1995 PA 24, MCL 207.801 to 207.810, is repealed effective
17 December 31, 2030.

18 Enacting section 3. This amendatory act does not take effect
19 unless Senate Bill No. ____ (request no. S00973'25 a) or House Bill
20 No. ____ (request no. H00973'25 a) of the 103rd Legislature is
21 enacted into law.