

MICHIGAN STRATEGIC FUND ACT (EXCERPT)
Act 270 of 1984

CHAPTER 3

125.2031 Center for assistance to private enterprise; establishment and operation.

Sec. 31. The fund shall establish and operate a center for assistance to private enterprise.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Compiler's note: For transfer of the Michigan strategic fund from department of treasury to department of talent and economic development, and transfer of powers and duties of board of directors of Michigan strategic fund to new board of directors, see E.R.O. No. 2014-6, compiled at MCL 125.1995.

Popular name: Strategic Fund

125.2032 Private enterprise assistance account; payments into account; transfer of money.

Sec. 32. (1) The center for assistance to private enterprise shall be funded by an account, which shall be established and managed by the fund, to be known as the private enterprise assistance account.

(2) The fund shall pay into the account any money appropriated or otherwise provided by this state for the purposes of the center; any money determined by the fund to be paid into the account from the economic development fund to which the fund succeeded in ownership pursuant to section 22; any money which the fund receives in repayment of loans made through the center for assistance to private enterprise; and any other money made available to the fund for the purposes of the center from any other source, public or private.

(3) Money in the private enterprise assistance account may be transferred into any other account established by the fund, unless the fund is otherwise obligated to retain the money in the private enterprise assistance account or except if the money was appropriated by this state for the purposes of the center.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Popular name: Strategic Fund

125.2033 Loans, limitations.

Sec. 33. Subject to the limitations provided by this chapter, the fund may utilize the money held in the private enterprise assistance account to make loans to private enterprise to finance economic development projects within this state which have the potential of creating new jobs or retaining current jobs within this state.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Popular name: Strategic Fund

125.2034 Loans, grants, or investments; limitations; condition.

Sec. 34. (1) Subject to the limitations provided by this chapter, the fund may utilize the money held in the private enterprise assistance account to make loans or grants to, or invest in, a certified development company under sections 501 to 503 of the small business investment act of 1958, 15 U.S.C. 695 to 697, and the regulations promulgated under those sections; a small business lending company under the small business act, 15 U.S.C. 631, 632 to 634, 636, 637 to 639, 640 to 649, and the regulations promulgated under that act; a minority enterprise small business investment corporation or equivalent venture capital corporation; the Michigan business development corporation created under former Act No. 117 of the Public Acts of 1963; or a similar entity that will provide financing assistance to business firms.

(2) Loans made pursuant to this section shall be made on the condition that the recipient of the loan will utilize the money to assist economic development projects within this state which have the potential for creating new jobs or retaining current jobs within this state.

History: 1984, Act 270, Eff. Mar. 29, 1985;—Am. 1987, Act 278, Imd. Eff. Jan. 6, 1988.

Popular name: Strategic Fund

125.2035 Loans; use; recipients; terms and conditions.

Sec. 35. (1) Loans made from the private enterprise assistance account may be used for any purpose consistent with the purposes and objectives of the fund and this chapter including, but not limited to, the acquisition, improvement, or rehabilitation of land and buildings; the acquisition of machinery, equipment, or services; working capital; or for any other purpose reasonably related to an economic development project.

(2) Loans made from the private enterprise assistance account may be made to any person or entity, public or private, organized for profit or not for profit, consistent with the provisions of sections 33 and 34 and other applicable provisions of law.

(3) Loans from the private enterprise assistance account may be made on such terms and conditions as the

fund shall, in its sole discretion, determine to be reasonable, appropriate, and consistent with the purposes and objectives of the fund and this act, which may include, but not be limited to, the pledging of adequate security.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Popular name: Strategic Fund

125.2036 Loan for economic development project; legal assurance as to use of money.

Sec. 36. (1) A loan shall not be made from the private enterprise assistance account for an economic development project pursuant to section 33 unless significant private sector financial support is associated with the economic development project.

(2) A loan shall not be made from the private enterprise assistance account pursuant to section 34 unless the fund is legally assured that the money will be used to assist economic development projects which also will have significant private sector financial support.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Popular name: Strategic Fund

125.2037 Paramount priority in making loans.

Sec. 37. The fund shall give paramount priority in making loans from the private enterprise assistance account to economic development projects which have the greatest potential for creating new jobs or retaining current jobs within this state.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Popular name: Strategic Fund