

**STATE PROCUREMENTS FOR MINORITY OWNED AND WOMAN OWNED BUSINESSES  
(EXCERPT)  
Act 428 of 1980**

**450.771 Definitions.**

Sec. 1. As used in this act:

- (a) "Controlled" means exercising the power to make policy decisions in a business.
- (b) "Department" means a principal department of the executive branch of the state government.
- (c) "Expenditures" means payments and contracts for goods, services, and construction which may be acquired competitively and are not regulated by separate authority, and, where the department acts as the sole or primary contracting officer and has selective discretion as to the supplier, vendor, or contractor.
- (d) "Joint venture" means an agreement that combines 2 or more businesses for specified purposes involving 1 or more minority owned or woman owned businesses and 1 or more businesses other than a minority owned or woman owned business.
- (e) "Minority" means a person who is black, hispanic, oriental, eskimo, or an American Indian who is not less than 1/4 quantum Indian blood as certified by the person's tribal association and verified by the Indian affairs commission.
- (f) "Minority owned business" means a business enterprise of which more than 50% of the voting shares or interest in the business is owned, controlled, and operated by individuals who are members of a minority and with respect to which more than 50% of the net profit or loss attributable to the business accrues to shareholders who are members of a minority.
- (g) "Operated" means the activity of being involved in the day to day management of a business.
- (h) "Person" means an individual, sole proprietorship, partnership, association, or corporation.
- (i) "Subcontract" means an agreement to share a prime contract between a prime contractor, who is not a minority owned business or a woman owned business, and a minority owned or woman owned business.
- (j) "Woman owned business" means a business of which more than 50% of the voting shares or interest in the business is owned, controlled, and operated by women and with respect to which more than 50% of the net profit or loss attributable to the business accrues to the women shareholders.

**History:** 1980, Act 428, Imd. Eff. Jan. 13, 1981.