

HOUSE BILL No. 5819

April 22, 2004, Introduced by Reps. Hunter, Tobocman, Smith, Rivet and McConico and referred to the Committee on Commerce.

A bill to provide for establishing and administering a program for awarding grants to attract, retain, and expand businesses; to create a fund; and to prescribe powers and duties of certain public and state entities, officers, and agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "small business promotion matching grant act".

3 Sec. 2. As used in this act:

4 (a) "Corporation" means the Michigan economic development
5 corporation established as authorized pursuant to Executive
6 Reorganization Order No. 1999-1, MCL 408.40, effective April 5,
7 1999.

8 (b) "Fund" means the business promotion fund established in
9 section 3.

10 (c) "Program" means the business promotion matching grant

1 program established under this act.

2 (d) "Strategic fund" means the Michigan strategic fund
3 created in the Michigan strategic fund act, 1984 PA 270, MCL
4 125.2001 to 125.2093.

5 Sec. 3. The business promotion fund is created in the state
6 treasury. The state treasurer may receive money or other assets
7 for deposit into the fund from appropriations, other state
8 revenue, federal revenue, local revenue, private contributions,
9 or any other source. The state treasurer shall credit interest
10 and earnings from fund investments to the fund. Money remaining
11 in the fund at the close of each fiscal year shall remain in the
12 fund and shall not lapse to the general fund.

13 Sec. 4. (1) The corporation shall establish, administer,
14 and solicit applications for a business matching grant program to
15 distribute grants to qualified local governmental units to
16 promote the attraction, retention, and expansion of businesses.

17 (2) The corporation shall use money made available to it from
18 the fund to make grants under the program.

19 (3) The corporation shall establish criteria for awarding
20 grants for the program that are designed to achieve the purposes
21 indicated in subsection (1). The criteria shall ensure the
22 distribution of grants to qualified local governmental units, as
23 that term is defined in section 2 of the obsolete property
24 rehabilitation act, 2000 PA 146, MCL 125.2782. The corporation
25 shall obtain the approval of the award criteria from the board of
26 directors of the strategic fund before soliciting grant
27 applications.

1 (4) The corporation shall prescribe a grant application,
2 which shall require the applicant to provide information
3 reasonably necessary to allow the corporation to determine the
4 likelihood that the applicant's proposed use of the grant will
5 promote the goals of the program and the ability of the applicant
6 to carry out its proposal.

7 (5) The maximum amount that the corporation may award to a
8 grant applicant under the program is \$500,000.00 per
9 application.

10 (6) The corporation shall not award a grant after September
11 30, 2009.

12 Sec. 5. The corporation shall require a grant recipient to
13 do all of the following:

14 (a) Provide a match of at least 25% of the amount of the
15 grant.

16 (b) Report quarterly to the corporation the grant
17 expenditures, activities supported, and results obtained and any
18 other information that the corporation determines is necessary to
19 evaluate the program.

20 (c) Comply with the provisions of this act.

21 Sec. 6. Not later than April 1 of the year following a year
22 in which it awards a grant, the corporation shall deliver to the
23 senate majority leader and speaker of the house of
24 representatives a report that evaluates the success of the
25 program, including, but not limited to, all of the following:

26 (a) Number, amount, and geographic distribution of the grants
27 awarded.

- 1 (b) Number of businesses contacted as a result of the
- 2 program.
- 3 (c) Number of businesses attracted, retained, or expanded.
- 4 (d) Number of jobs attracted, retained, or added.
- 5 (e) Dollar amount of new business investment.
- 6 (f) Any other information that the corporation determines is
- 7 necessary or useful to evaluate the success of the program.