

# Legislative Analysis



## CENTER FOR MICROENTERPRISE DEVELOPMENT

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

### House Bill 5463 as introduced

Sponsor: Rep. Alabas A. Farhat

Committee: Economic Development and Small Business

Complete to 5-14-24

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 5463 would add a new Chapter 7A to the Michigan Strategic Fund Act to create a “Center for Microenterprise Development” that would be operated by the Michigan Strategic Fund.

The Center for Microenterprise Development would be authorized to seek new federal and private sources of funding for the center, assist *microenterprise development organizations*, and support *microenterprise businesses*.

*Microenterprise development organization* would mean a community-based, nonprofit organization that is tax-exempt under section 501(c)(3) of the federal Internal Revenue Code and that has a plan and the demonstrated or potential capacity to provide business development training, technical assistance, or business loans to microenterprise businesses.

*Microenterprise business* would mean a new or existing business headquartered in Michigan that has ten or fewer employees, including startups, home-based businesses, and self-employed individuals.

Proposed MCL 125.2079a and 125.2079b

### BACKGROUND:

House Bill 5463 is similar to HB 4060 of the 2021-22 legislative session and HB 5199 of the 2019-20 session.

### FISCAL IMPACT:

A fiscal note is in progress.

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