

HOUSE BILL NO. 4771

August 19, 2025, Introduced by Rep. Bollin and referred to Committee on Appropriations.

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending sections 88s and 88t (MCL 125.2088s and 125.2088t),
section 88s as added by 2021 PA 136 and section 88t as added by
2021 PA 134.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 88s. (1) The fund shall create and operate the critical
2 industry program. The fund shall use money transferred from the
3 strategic outreach and attraction reserve fund created in section 4
4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254, or money

1 appropriated to the program to make qualified investments to
2 qualified businesses.

3 (2) The fund shall expend money allocated to the ~~Michigan~~
4 critical industry program only to provide qualified investments to
5 qualified businesses for deal-closing, gap financing, or other
6 economic assistance to create or retain qualified jobs as a result
7 of a technological shift in product or production or make capital
8 investments, or both, as determined by the fund board. The program
9 must provide for a detailed application, approval, and compliance
10 process that is also published and available on the fund's website.

11 (3) The fund shall consider and document at a minimum all of
12 the following criteria to the extent reasonably applicable as
13 reasonably determined by the fund board to the type of project
14 proposed before entering into a written agreement for a qualified
15 investment as provided under subsection (4):

16 (a) The importance of the project to the community in which it
17 is located.

18 (b) If the project will act as a catalyst for additional
19 revitalization of the community in which it is located and this
20 state.

21 (c) The amount of local community and financial support for
22 the project.

23 (d) The applicant's financial need for a qualified investment
24 from the critical industry program.

25 (e) The extent of reuse of vacant buildings, public or
26 private, reuse of historic resources, and redevelopment of blighted
27 property.

28 (f) Creation or retention of qualified jobs as a result of a
29 technological shift in product or production at the project

1 location and within this state.

2 (g) The level of other public funds including, but not limited
3 to, the appropriation of federal or state funds and any federal or
4 state tax credits.

5 (h) The level of any private funds, investments, or
6 contributions into the project including, but not limited to, the
7 qualified business's own investments in the project.

8 (i) Whether and how the project is financially and
9 economically sound.

10 (j) Whether and how the project promotes sustainable
11 development.

12 (k) Whether and how the project involves the rehabilitation of
13 a historic resource.

14 (l) Whether and how the project addresses areawide
15 redevelopment and the overall economic benefit to the existing
16 supply chain.

17 (m) The level and extent of environmental contamination.

18 (n) Whether and how the project will compete with or affect
19 existing Michigan businesses within the same industry.

20 (o) Whether and how the project's proximity to rail and
21 utility will impact performance of the project and maximize energy
22 and logistics needs in the community in which it is located and in
23 this state.

24 (p) The risk of obsolescence of the project, products, and
25 investments in the future.

26 (q) The overall return on investment to this state.

27 (r) Whether and how the project addresses food supply
28 challenges.

29 (s) Any other additional criteria approved by the board that

1 are specific to each individual project and are consistent with the
2 purpose of this program.

3 (4) If the fund determines, after making the considerations
4 under subsection (3), to award a qualified investment to a
5 qualified business under this program, the fund shall enter into a
6 written agreement with the qualified business that includes in a
7 clear and concise manner all of the terms and conditions relating
8 to the qualified investment as determined and documented by the
9 fund board, including, but not limited to, the following:

10 (a) Specific time frames and benchmarks to be met before the
11 qualified business receives a disbursement in installments under
12 the critical industry program pursuant to the approved qualified
13 investment.

14 (b) Specific terms relating to the required creation or
15 retention of qualified jobs as a result of a technological shift in
16 product or production at the project location and within this
17 state, including measurable outcomes, proration of payments for
18 partial performance, clawback and specific repayment provisions for
19 breach of the agreement, or for failure to meet measurable
20 outcomes.

21 (c) Specific penalties for noncompliance with the written
22 agreement as determined by the fund.

23 (d) A provision that all money that is subject to a clawback
24 or required to be repaid under a specific repayment provision must
25 be paid within 90 days of notification by the fund. Any amounts not
26 paid within that 90-day period are subject to a penalty of 1% per
27 month, prorated on a daily basis.

28 (e) A provision that this state shall have a security interest
29 as **that term is** defined in section ~~1201(2)(ii)~~ **1201** of the uniform

1 commercial code, 1962 PA 174, MCL 440.1201, to the extent of the
2 qualified investment. This provision does not apply if it conflicts
3 with any contractual obligation of the qualified business or any
4 federal or state bankruptcy or insolvency laws.

5 (f) A provision that the qualified business will provide the
6 data described in the written agreement that are necessary for the
7 fund to report to the legislature as required under this program.

8 (g) A provision that the qualified business may enter into
9 direct agreements with workforce training providers, when
10 appropriate, as determined by the fund to meet the workforce
11 requirements of a qualified investment.

12 (h) A provision that, if the project is canceled or placed on
13 definite hold or indefinite hold, the qualified business must
14 notify the fund in writing of the cancellation, definite hold, or
15 indefinite hold and, if the project is placed on definite hold, the
16 specific date for resuming the project, not later than 1 business
17 day after the project is canceled or placed on definite hold or
18 indefinite hold. If a specific date for resuming the project is not
19 provided, the fund shall consider the hold an indefinite hold.

20 (i) A provision that the requirements of subsection (8) apply
21 to a cancellation, definite hold, or indefinite hold of the
22 project. The fund shall not include any provision in a written
23 agreement that would allow a project to be canceled or placed on
24 definite hold or indefinite hold without being subject to the
25 requirements of subsection (8).

26 (j) A provision that the requirements of subsections (8) and
27 (9) apply if the project is not commenced by the applicable date.
28 The fund shall not include any provision in a written agreement
29 that would allow a project to commence after the applicable date

1 **without being subject to the requirements of subsections (8) and**
2 **(9).**

3 (5) If the fund receives a request to modify an existing
4 written agreement for a qualified investment under this program,
5 the fund must provide a copy of that requested modification to each
6 member of the legislature, the governor, the clerk of the house of
7 representatives, the secretary of the senate, and the senate and
8 house fiscal agencies within 5 business days of the receipt of the
9 modification request. In addition to the copy of the request for
10 modification, the notice provided under this subsection must also
11 include the specific provisions to be modified and the rationale
12 for considering the modification. Before the fund modifies an
13 existing written agreement for a qualified investment, the fund
14 must give notice of the proposed amendments and publish them on the
15 fund's internet website at least 1 business day prior to a public
16 hearing on the proposed amendments. If the fund approves and
17 modifies an existing written agreement under this subsection, the
18 fund must provide a copy of that amended written agreement to each
19 member of the legislature, the governor, the clerk of the house of
20 representatives, the secretary of the senate, and the senate and
21 house fiscal agencies within 1 business day of the modification.
22 **The fund shall not modify an existing written agreement under this**
23 **subsection to extend the date by which a project must commence or**
24 **to extend any other time frame under the existing written agreement**
25 **unless the extension is approved by both the senate appropriations**
26 **committee and the house of representatives appropriations**
27 **committee.**

28 (6) If the fund board seeks to make a determination as to
29 whether a qualified investment approved under this program

represents a fair exchange of value for value, the fund may consider the total value to this state of the qualified investment and the best interests of this state, including, but not limited to, any positive economic impact to this state likely to be generated by the qualified business pursuant to the written agreement for a qualified investment, especially economic impact resulting in the location of a high-economic-impact business facility in this state, increased capital investment in this state, and the creation or retention of qualified jobs as a result of a technological shift in product or production in this state.

(7) The fund board shall not disburse funds allocated to the program for a qualified investment to a qualified business if that qualified business has not fully repaid all money subject to clawback or required to be repaid under a specific repayment provision as provided in any written agreement under this act or if that qualified business is in default on any grant, loan, investment, or other economic assistance made or guaranteed by this state. All money paid to the fund pursuant to a clawback or specific repayment provision for a qualified investment under this program ~~shall~~**must** be deposited in the ~~strategic outreach and attraction reserve fund created in section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254.~~**general fund of this state.** The fund shall not use money allocated to the program for administrative purposes. ~~Any~~**Except as otherwise provided in subsection (8), any** money that is allocated to the program that remains unexpended, unallocated, or unobligated at the end of a fiscal year ~~shall revert~~**reverts** back to the ~~strategic outreach and attraction reserve fund created in section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254.~~**general fund of this state.**

1 (8) If the project for which the qualified investment is made
2 is canceled or placed on definite hold or indefinite hold, all of
3 the following apply:

4 (a) If the project is canceled or placed on indefinite hold,
5 the fund board shall not disburse funds allocated to the program
6 for the qualified investment to the qualified business or any
7 related project funds.

8 (b) If the project is placed on definite hold, all of the
9 following apply:

10 (i) If the specific date for resuming the project provided to
11 the fund under subsection (4)(h) violates the written agreement,
12 the fund board shall place an immediate hold on the disbursement of
13 funds allocated to the program for the qualified investment to the
14 qualified business and any related project funds, and the funds
15 allocated as described in this subdivision must be placed in
16 escrow.

17 (ii) If subparagraph (i) applies and the project is resumed by
18 the specific date for resuming the project provided to the fund
19 under subsection (4)(h), the fund board may resume the disbursement
20 of funds, including funds held in escrow under subparagraph (i),
21 allocated to the program for the qualified investment to the
22 qualified business and any related project funds.

23 (iii) Regardless of whether subparagraph (i) applies, if the
24 project is not resumed by the specific date for resuming the
25 project provided to the fund under subsection (4)(h), the fund
26 board shall not disburse funds allocated to the program for the
27 qualified investment to the qualified business or any related
28 project funds. However, the funds held in escrow under subparagraph
29 (i) may be disbursed for other projects as permitted under this

1 section.

2 (c) Any money that is not disbursed under subdivision (a) or
3 (b) (iii) reverts to and must be deposited in the general fund of this
4 state.

5 (d) The application of this subsection does not extend any
6 time frames under the written agreement.

7 (9) Unless a different date is provided in the written
8 agreement, a project must commence not later than 1 year after the
9 written agreement is executed or money is appropriated for the
10 qualified investment, whichever date is earlier. A project that is
11 not commenced by the applicable date is considered canceled for
12 purposes of subsection (8).

13 (10) ~~(8)~~ Not later than March 15 of each year, the fund shall
14 transmit to each member of the legislature, the governor, the clerk
15 of the house of representatives, the secretary of the senate, and
16 the senate and house fiscal agencies a report on the activities of
17 the critical industry program. The report must include **all of** the
18 following:

19 (a) A list of qualified businesses that received a qualified
20 investment.

21 (b) The type of project or product approved for a qualified
22 investment.

23 (c) The amount and type of qualified investment.

24 (d) For each separate form of qualified investment, all of the
25 following:

26 (i) The number of qualified jobs committed or projected to be
27 created or retained as a result of a technological shift in product
28 or production when the qualified investment was applied for.

29 (ii) The actual number of qualified jobs created or retained as

1 a result of a technological shift in product or production that are
2 not temporary employees.

3 (iii) The average annual salary of the qualified jobs created or
4 retained as a result of a technological shift in product or
5 production that are not temporary employees.

6 (e) The duration of the qualified investment.

7 (f) The amount of other financial assistance other than state
8 resources.

9 (g) Money or other revenue or property returned to the
10 ~~strategic outreach and attraction reserve fund, created in section~~
11 ~~4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254, general~~
12 **fund of this state**, including any clawbacks and repayments due to a
13 breach of the written agreement **and any money returned under**
14 **subsection (8) .**

15 (11) ~~(9)~~—If the fund fails to transmit the report as required
16 in subsection ~~(8)~~ **(10)** on or before March 15, the fund board shall
17 not disburse funds for a qualified investment under this program
18 until it transmits the report as required under subsection
19 ~~(8)~~ **(10)** .

20 (12) ~~(10)~~—The legislature finds and declares that funding
21 provided under this program is for a public purpose and serves the
22 health, safety, and general welfare of the residents of this state.

23 (13) ~~(11)~~—As used in this section:

24 (a) "Critical industry program" or "program" means the
25 critical industry program created ~~in~~ **under** subsection (1).

26 (b) "Definite hold" means the project is paused or stopped
27 with a specific date for resuming the project, which date is not
28 more than 1 year from the date the project is paused or stopped.
29 Definite hold does not include a pause or stoppage that is directly

1 attributable to circumstances outside the control of the person
2 operating the project.

3 (c) "Indefinite hold" means the project is paused or stopped
4 without a specific date for resuming the project. Indefinite hold
5 also includes a project that is paused or stopped if the specific
6 date for resuming the project is more than 1 year from the date the
7 project is paused or stopped. Indefinite hold does not include a
8 pause or stoppage that is directly attributable to circumstances
9 outside the control of the person operating the project.

10 (d) "Related project funds" means any other grant, loan, or
11 economic assistance that is provided under the critical industry
12 program or the Michigan strategic site readiness program created
13 under section 88t that is related to the project, regardless of
14 whether the recipient of the other grant, loan, or economic
15 assistance is the qualified business.

16 (e) ~~(b)~~—"Qualified business" means a business that is located
17 in or operates in this state or will locate or will operate in this
18 state as determined by the fund board. A qualified business may
19 include more than 1 business as determined by the fund board.

20 (f) ~~(e)~~—"Qualified investment" means a grant, loan, or other
21 economic assistance for a project subject to a written agreement
22 with a qualified business under this program. Qualified investment
23 includes a grant, loan, or other economic assistance for creation
24 or retention of qualified jobs as a result of a technological shift
25 in product or production, infrastructure improvements, other
26 capital investments, the purchase or acquisition of heavy
27 machinery, or other assistance, including, but not limited to, an
28 agreement providing for assistance via the transportation economic
29 development fund created under section 2 of 1987 PA 231, MCL

1 247.902. Qualified investment also includes a grant, loan, or other
2 economic assistance for job training opportunities or workforce
3 development and education, or both.

4 (g) ~~(d)~~—"Qualified job" means a job performed by an individual
5 who is a resident of this state whose Michigan income taxes are
6 withheld by an employer, or an employee leasing company or
7 professional employer organization on behalf of the employer, or by
8 an individual who is not a resident of this state and is employed
9 by a business at a project location that is located in this state,
10 as determined and verified by the fund.

11 (h) **"Written agreement" means a written agreement entered into**
12 **by the fund with a qualified business under subsection (4).**

13 Sec. 88t. (1) The fund shall create and operate the Michigan
14 strategic site readiness program. The fund shall use the program
15 money transferred from the strategic outreach and attraction
16 reserve fund created in section 4 of the Michigan trust fund act,
17 2000 PA 489, MCL 12.254, or money appropriated to the program to
18 make grants, loans, or other economic assistance under this
19 program.

20 (2) The fund shall expend money allocated to the Michigan
21 strategic site readiness program only to provide grants, loans, and
22 other economic assistance for eligible applicants to conduct
23 eligible activities for the purpose of creating investment-ready
24 sites to attract and promote investment in this state for eligible
25 activities on, or related to, strategic sites and mega-strategic
26 sites. The program must provide for a detailed application,
27 approval, and compliance process that is also published and
28 available on the fund's website. The detailed application,
29 approval, and compliance process must, at a minimum, provide for

1 all of the following:

2 (a) An eligible applicant may apply for a grant, loan, or
3 other economic assistance in a form and manner determined by the
4 fund.

5 (b) The fund shall establish separate application criteria for
6 mega-strategic sites and for strategic sites that are not mega-
7 strategic sites and for sites that have, and that do not have, a
8 specifically identified end user.

9 (3) Before approving an application under this section, the
10 fund shall consider and document, at a minimum, all of the
11 following criteria to the extent reasonably applicable as
12 reasonably determined by the fund board to the type of project
13 proposed before entering into a written agreement for a grant,
14 loan, or other economic assistance as provided under this program:

15 (a) The importance of the project or eligible activities to
16 the community in which it is located.

17 (b) If the project will act as a catalyst for additional
18 revitalization of the community in which it is located and this
19 state.

20 (c) The amount of local community and financial support for
21 the project.

22 (d) The amount of any other economic assistance or support
23 provided by this state for the project.

24 (e) The amount of any other economic assistance or support
25 provided by the federal government for the project including, but
26 not limited to, federal appropriations or tax credits.

27 (f) The amount of any private funds or investments for the
28 project including the applicant's own investments in the project.

29 (g) The applicant's financial need for a grant, loan, or other

1 economic assistance under this program.

2 (h) The extent of reuse of vacant buildings, public or
3 private, reuse of historic resources, and redevelopment of blighted
4 property.

5 (i) Creation or retention of qualified jobs as a result of a
6 technological shift in product or production at the project
7 location and within this state.

8 (j) Whether and how the project is financially and
9 economically sound.

10 (k) Whether and how the project converts abandoned public
11 buildings to private use.

12 (l) Whether and how the project promotes sustainable
13 development.

14 (m) Whether and how the project involves the rehabilitation of
15 a historic resource.

16 (n) Whether and how the project addresses areawide
17 redevelopment.

18 (o) Whether and how the project addresses underserved markets
19 of commerce.

20 (p) The level and extent of environmental contamination.

21 (q) Whether and how the project will compete with or affect
22 existing Michigan businesses within the same industry.

23 (r) Whether and how the project's proximity to rail and
24 utility will impact performance of the project and maximize energy
25 and logistics needs in the community in which it is located and in
26 this state.

27 (s) The risk of obsolescence of the project, products, and
28 investments in the future.

29 (t) The overall return on investment to this state.

1 (u) Whether the proposed strategic site or mega-strategic site
2 is incorporated into a strategic plan of a political subdivision of
3 this state.

4 (v) Any other additional criteria approved by the fund board
5 that are specific to each individual project and are consistent
6 with the purpose of this program.

7 (4) If the fund determines, after the considerations under
8 subsection (3), to provide a grant, loan, or other economic
9 assistance to an eligible applicant under this program, the fund
10 shall enter into a written agreement with the eligible applicant
11 that includes in a clear and concise manner all of the terms and
12 conditions related to the grant, loan, or other economic assistance
13 as determined and documented by the fund board, including, but not
14 limited to, the following:

15 (a) Specific dates and benchmarks for the eligible applicant
16 to receive a grant, loan, or other economic assistance under this
17 program, including conditions for the disbursement of funds in
18 installments.

19 (b) For a grant, loan, or other economic assistance provided
20 to a person identified as the end user of the site, a clawback and
21 specific repayment provision if the person fails to comply with the
22 provisions of the written agreement.

23 (c) A provision that all money that is subject to clawback or
24 required to be repaid under a specific repayment provision must be
25 paid within 90 days of notification by the fund. Any amounts not
26 paid within that 90-day period are subject to a penalty of 1% per
27 month, prorated on a daily basis.

28 (d) A provision that this state ~~shall have~~**has** a security
29 interest as **that term is** defined in section ~~1201(2)(ii)~~**1201** of the

1 uniform commercial code, 1962 PA 174, MCL 440.1201, to the extent
2 of the grant, loan, or other economic assistance provided under
3 this program. This provision does not apply if it conflicts with
4 any contractual obligation of the eligible applicant or any federal
5 or state bankruptcy or insolvency laws.

6 (e) An audit provision that requires the fund to verify that
7 the established benchmarks for the project have been met.

8 (f) A provision that, if the project is canceled or placed on
9 definite hold or indefinite hold, the eligible applicant must
10 notify the fund in writing of the cancellation, definite hold, or
11 indefinite hold and, if the project is placed on definite hold, the
12 specific date for resuming the project, not later than 1 business
13 day after the project is canceled or placed on definite hold or
14 indefinite hold. If a specific date for resuming the project is not
15 provided, the fund shall consider the hold an indefinite hold.

16 (g) A provision that the requirements of subsection (13) apply
17 to a cancellation, definite hold, or indefinite hold of the
18 project. The fund shall not include any provision in a written
19 agreement that would allow a project to be canceled or placed on
20 definite hold or indefinite hold without being subject to the
21 requirements of subsection (13).

22 (h) A provision that the requirements of subsections (13) and
23 (14) apply if the project is not commenced by the applicable date.
24 The fund shall not include any provision in a written agreement
25 that would allow a project to commence after the applicable date
26 without being subject to the requirements of subsections (13) and
27 (14).

28 (5) In addition to the considerations under subsection (3), in
29 determining whether to approve a grant, loan, or other economic

1 assistance for a strategic site for which an end user has not been
2 specifically identified, the fund shall consider and document, as
3 reasonably determined by the fund board, at a minimum all of the
4 following:

5 (a) The degree to which the proposed site demonstrates a high
6 level of competitiveness for future development, considering and
7 documenting all of the following:

8 (i) Whether the proposed site is currently assembled.

9 (ii) Whether the proposed site is under site control.

10 (iii) Whether the proposed site is of a size, configuration,
11 location, and condition that makes the site substantially ready for
12 marketing and competitive for development ~~upon~~**on** completion of the
13 grant, loan, or other economic assistance proposed to be offered
14 under this program and demonstrated matching contributions.

15 (b) Whether the proposed investment will result in the
16 elimination of blight and the remediation of environmental
17 contamination.

18 (c) The degree of local matching contributions.

19 (d) Whether the award will promote geographic equity in the
20 distribution of funds between different areas of this state.

21 (e) Whether the eligible applicant has pursued all available
22 cost-containment measures.

23 (6) In determining whether to approve a grant, loan, or other
24 economic assistance for a mega-strategic site for which an end user
25 has not been specifically identified, the fund shall consider and
26 document, in addition to the criteria in subsections (3) and
27 (5)(a), at a minimum all of the following criteria related to the
28 strategic basis for the investment and feasibility of the
29 investment:

1 (a) Whether the proposed mega-strategic site is supported by a
2 strategic analysis that supports the demand for that site.

3 (b) The feasibility of proposed land acquisition.

4 (c) Utility and transportation availability, and the
5 feasibility of necessary utility and transportation improvements.

6 (d) Workforce availability and training capability.

7 (e) Environmental and topographical conditions, and the
8 feasibility of necessary site improvements to address environmental
9 and topographical conditions.

10 (7) In addition to the considerations under subsection (3), in
11 determining whether to approve a grant, loan, or other economic
12 assistance for a project for which an end user has been
13 specifically identified, the fund shall consider and document, as
14 reasonably determined by the fund board, all of the following:

15 (a) The strategic economic importance of the project to the
16 community in which it is located and to this state.

17 (b) Whether the financial assistance is needed to secure the
18 project in this state.

19 (c) The degree to which the project is a priority for the
20 local governmental unit or local economic development corporation
21 in the jurisdiction of which the site is located.

22 (d) The level of creation or retention of qualified jobs as a
23 result of a technological shift in product or production.

24 (e) Whether the qualified jobs created or retained as a result
25 of a technological shift in product or production equal or exceed
26 the average wage for the county in which the project is located.

27 (f) The level of capital investment.

28 (g) The evidence of the end user's commitment to the site.

29 (8) If the fund receives a request to modify an existing

1 written agreement for a grant, loan, or other economic assistance
 2 under this program, the fund must provide a copy of that requested
 3 modification to each member of the legislature, the governor, the
 4 clerk of the house of representatives, the secretary of the senate,
 5 and the senate and house fiscal agencies within 5 business days ~~of~~
 6 **after** the receipt of the modification request. In addition to the
 7 copy of the request for modification, the notice provided under
 8 this subsection must also include the specific provisions to be
 9 modified and the rationale for considering the modification. Before
 10 the fund modifies an existing written agreement for a grant, loan,
 11 or other economic assistance under this program, the fund must give
 12 notice of the proposed amendments and publish them on the fund's
 13 internet website at least 1 business day ~~prior to~~ **before** a public
 14 hearing on the proposed amendments. If the fund approves and
 15 modifies an existing written agreement under this subsection, the
 16 fund must provide a copy of that amended written agreement to each
 17 member of the legislature, the governor, the clerk of the house of
 18 representatives, the secretary of the senate, and the senate and
 19 house fiscal agencies within 1 business day of the modification.
 20 **The fund shall not modify an existing written agreement under this**
 21 **subsection to extend the date by which a project must commence or**
 22 **to extend any other time frame under the existing written agreement**
 23 **unless the extension is approved by both the senate appropriations**
 24 **committee and the house of representatives appropriations**
 25 **committee.**

26 (9) In making an award for a mega-strategic site under this
 27 program that does not have a specifically identified end user, the
 28 fund, working in collaboration with the eligible applicant, shall
 29 prepare a mega-strategic site investment strategy and spending plan

1 that details the sequence and cost of anticipated investments in
2 the selected mega-strategic site, the benchmarks for bringing the
3 mega-strategic site to a marketable condition, and the marketing
4 strategy for the mega-site. Each plan must have the objective of
5 establishing a certified mega-strategic site under a nationally
6 recognized third-party certification program.

7 (10) The fund shall post on its website or post on the website
8 of the Michigan economic development corporation, not less than
9 every 3 months, the name of the eligible applicant or applicants,
10 the location of each site that received a grant, loan, or other
11 economic assistance under this program in that period, and the
12 amount of the grant, loan, or other economic assistance.

13 (11) Notwithstanding anything to the contrary in this section,
14 the program may make grants and provide technical assistance to
15 local economic development corporations for the purpose of creating
16 an inventory of development-ready sites, provided that the
17 inventory shall utilize nationally recognized criteria to identify
18 the readiness of those sites for investment, and ~~provided further~~
19 ~~that if~~ the fund shall maintain a comprehensive inventory of those
20 sites on its website. The inventory maintained on the website shall
21 include in an interactive and user-friendly manner a listing of all
22 local and state development-ready sites and any pictures, maps, and
23 other documentation related to those sites.

24 (12) The fund board shall not disburse money from the program
25 for a grant, loan, or other economic assistance to an eligible
26 applicant if that eligible applicant has not fully repaid all money
27 subject to clawback or required to be repaid under a specific
28 repayment provision as provided in any written agreement under this
29 act or if that eligible applicant is in default on any grant, loan,

1 or other economic assistance made or guaranteed by this state. All
 2 money paid to the fund pursuant to a clawback or specific repayment
 3 provision for a grant, loan, or other economic assistance under
 4 this program shall ~~must~~ be deposited in the ~~strategic outreach and~~
 5 ~~attraction reserve fund created in section 4 of the Michigan trust~~
 6 ~~fund act, 2000 PA 489, MCL 12.254.~~ **general fund of this state.** The
 7 fund shall not use money allocated to the program for
 8 administrative purposes. ~~Any~~ **Except as otherwise provided in**
 9 **subsection (13), any** money that is allocated to the program that
 10 remains unexpended, unallocated, or unobligated at the end of the
 11 fiscal year shall ~~revert~~ **reverts** back to the ~~strategic outreach and~~
 12 ~~attraction reserve fund created in section 4 of the Michigan trust~~
 13 ~~fund act, 2000 PA 489, MCL 12.254.~~ **general fund of this state.**

14 (13) If the project for which the grant, loan, or other
 15 economic assistance is made is canceled or placed on definite hold
 16 or indefinite hold, all of the following apply:

17 (a) If the project is canceled or placed on indefinite hold,
 18 the fund board shall not disburse funds allocated to the program
 19 for the grant, loan, or other economic assistance to the eligible
 20 applicant or any related project funds.

21 (b) If the project is placed on definite hold, all of the
 22 following apply:

23 (i) If the specific date for resuming the project provided to
 24 the fund under subsection (4)(f) violates the written agreement,
 25 the fund board shall place an immediate hold on the disbursement of
 26 funds allocated to the program for the grant, loan, or other
 27 economic assistance to the eligible applicant and any related
 28 project funds, and the funds allocated as described in this
 29 subdivision must be placed in escrow.

1 (ii) If subparagraph (i) applies and the project is resumed by
2 the specific date for resuming the project provided to the fund
3 under subsection (4)(h), the fund board may resume the disbursement
4 of funds, including funds held in escrow under subparagraph (i),
5 allocated to the program for the grant, loan, or other economic
6 assistance to the eligible applicant and any related project funds.

7 (iii) Regardless of whether subparagraph (i) applies, if the
8 project is not resumed by the specific date for resuming the
9 project provided to the fund under subsection (4)(f), the fund
10 board shall not disburse funds allocated to the program for the
11 grant, loan, or other economic assistance to the eligible applicant
12 or any related project funds. However, the funds held in escrow
13 under subparagraph (i) may be disbursed for other projects as
14 permitted under this section.

15 (c) Any money that is not disbursed under subdivision (a) or
16 (b)(iii) reverts to and must be deposited in the general fund of this
17 state.

18 (d) The application of this subsection does not extend any
19 time frames under the written agreement.

20 (14) Unless a different date is provided in the written
21 agreement, a project must commence not later than 1 year after the
22 written agreement is executed or money is appropriated for the
23 qualified investment, whichever date is earlier. A project that is
24 not commenced by the applicable date is considered canceled for
25 purposes of subsection (13).

26 (15) ~~(13)~~—Not later than March 15 of each year, the fund shall
27 transmit to each member of the legislature, the governor, the clerk
28 of the house of representatives, the secretary of the senate, and
29 the senate and house fiscal agencies a report on the activities of

the Michigan strategic site readiness fund. The report must include
all of the following:

(a) A list of eligible applicants that received a grant, loan,
 or other economic assistance.

(b) The type of project or eligible activities approved for an
 award under this program.

(c) The amount and type of each award.

(d) The duration of the grant, loan, or other economic
 assistance.

(e) The amount of other financial assistance other than state
 resources.

(f) Money or other revenue or property returned to the
~~strategic outreach and attraction reserve fund,~~ **general fund of**
this state, including any clawbacks and repayments due to a breach
 of the written agreement **and any money returned under subsection**
(13).

(16) ~~(14)~~ If the fund fails to transmit the report as required
 in subsection ~~(13)~~ **(15)** on or before March 15, the fund board shall
 not disburse money for a grant, loan, or other economic assistance
 under this program until it transmits the report as required under
 subsection ~~(13)~~ **(15)**.

(17) ~~(15)~~ The legislature finds and declares that funding
 provided under this program is for a public purpose and serves the
 health, safety, and general welfare of the residents of this state.

(18) ~~(16)~~ As used in this section:

(a) **"Definite hold" means the project is paused or stopped**
with a specific date for resuming the project, which date is not
more than 1 year from the date the project is paused or stopped.
Definite hold does not include a pause or stoppage that is directly

1 **attributable to circumstances outside the control of the person**
 2 **operating the project.**

3 **(b)** ~~(a)~~—"Eligible activities" means, with respect to a site
 4 that is the subject of an application under this program, 1 or more
 5 of the following:

6 (i) Land acquisition and assembly.

7 (ii) Site preparation and improvement.

8 (iii) Infrastructure improvements that directly benefit the
 9 site, including, but not limited to, transportation infrastructure,
 10 water and wastewater infrastructure, and utilities necessary to
 11 service the site.

12 (iv) Any demolition, construction, alteration, rehabilitation,
 13 or improvement of buildings on the site.

14 (v) Environmental remediation.

15 (vi) Architectural, engineering, surveying, and similar
 16 professional fees.

17 **(c)** ~~(b)~~—"Eligible applicant" means an applicant that is 1 or
 18 more of the following:

19 (i) A political subdivision of this state, including, but not
 20 limited to, a county, city, village, township, charter township, or
 21 instrumentality of a county, city, village, township, or charter
 22 township.

23 (ii) A local economic development corporation or similar
 24 entity.

25 (iii) A person who is the owner of the site for which the
 26 improvements are proposed, but who is not the end user of that
 27 site, ~~provided that if~~ that person ~~must apply~~ **applies** jointly with
 28 an applicant under subparagraph (i) or (ii).

29 (iv) In the case of an application for a site for which a

specific person has been identified as the end user, the person that is or will be the end user of that site.

(d) ~~(e)~~—"End user" means the person, either directly or through an affiliate, that will establish and operate the manufacturing or other commercial enterprise that constitutes the end use of the improved site.

(e) "Indefinite hold" means the project is paused or stopped without a specific date for resuming the project. Indefinite hold also includes a project that is paused or stopped if the specific date for resuming the project is more than 1 year from the date the project is paused or stopped. Indefinite hold does not include a pause or stoppage that is directly attributable to circumstances outside the control of the person operating the project.

(f) ~~(d)~~—"Mega-strategic site" means a strategic site that is or will be used for a large industrial project.

(g) ~~(e)~~—"Michigan strategic site readiness program" or "program" means the Michigan strategic site readiness program created ~~in~~ **under** subsection (1).

(h) ~~(f)~~—"Qualified job" means a job performed by an individual who is a resident of this state whose Michigan income taxes are withheld by an employer, or an employee leasing company or professional employer organization on behalf of the employer, or by an individual who is not a resident of this state and is employed by a business at a project location that is located in this state, as determined and verified by the fund.

(i) "Related project funds" means any other grant, loan, or economic assistance that is provided under the Michigan strategic site readiness program or the critical industry program created under section 88s that is related to the project, regardless of

1 whether the recipient of the other grant, loan, or economic
2 assistance is the eligible applicant.

3 (j) ~~(g)~~—"Strategic site" means a site, whether publicly or
4 privately owned, that is, or subsequent to a proposed acquisition
5 will be, used for manufacturing or other commercial use.

6 (k) "Written agreement" means a written agreement entered into
7 by the fund with an eligible applicant under subsection (4).

8 Enacting section 1. This amendatory act does not take effect
9 unless House Bill No. 4773 (request no. H00200'25) of the 103rd
10 Legislature is enacted into law.