

**SUBSTITUTE FOR
SENATE BILL NO. 559**

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending sections 5, 9, 88s, and 88t (MCL 125.2005, 125.2009,
125.2088s, and 125.2088t), section 5 as amended by 2023 PA 24,
section 9 as amended and section 88s as added by 2021 PA 136, and
section 88t as added by 2021 PA 134, and by adding sections 88u and
88v.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) There is created by this act a public body
2 corporate and politic to be known as the Michigan strategic fund.
3 The fund is within the department of labor and economic opportunity
4 and shall exercise its prescribed statutory powers, duties, and
5 functions independently of the director of the department of labor

1 and economic opportunity. The statutory authority, powers, duties,
2 functions, records, personnel, property, unexpended balances of
3 appropriations, allocations, and other funds of the fund, including
4 the functions of budgeting, procurement, personnel, and management-
5 related functions, are retained by the fund, and the fund is an
6 autonomous entity within the department of labor and economic
7 opportunity in the same manner as the Michigan employment security
8 commission was designated an autonomous entity within the
9 department of labor under section 379 of the executive organization
10 act of 1965, 1965 PA 380, MCL 16.479.

11 (2) Except as otherwise provided in this act, the purposes,
12 powers, and duties of the Michigan strategic fund are vested in and
13 shall be exercised by a board of directors.

14 (3) Except as provided in ~~subsection~~ **subsections** (4) **and** (5),
15 the board shall consist of the following members:

16 (a) The director of the department of labor and economic
17 opportunity or the director's designee from within the department
18 of labor and economic opportunity.

19 (b) The state treasurer or the state treasurer's designee from
20 within the department of treasury.

21 (c) The director of the state transportation department or the
22 director's designee from within the state transportation
23 department.

24 (d) The chief executive officer of the MEDC or the chief
25 executive officer's designee.

26 (e) Seven other members with knowledge, skill, and experience
27 in the academic, business, or financial field, who shall be
28 appointed by the governor with the advice and consent of the
29 senate, subject to all of the following requirements:

1 (i) The 7 members appointed under this subdivision must be
2 residents of this state and must not be employees of this state.

3 (ii) Not less than 6 members appointed under this subdivision
4 must be members of the private sector.

5 (iii) One of the 7 members appointed under this subdivision must
6 be appointed from a list of 3 or more nominees of the speaker of
7 the house of representatives representing persons within the
8 private sector with experience in private equity or venture capital
9 investments, commercial lending, or commercialization of
10 technology.

11 (iv) One of the 7 members appointed under this subdivision must
12 be appointed from a list of 3 or more nominees of the senate
13 majority leader representing persons within the private sector with
14 experience in private equity or venture capital investments,
15 commercial lending, or commercialization of technology.

16 (v) Members appointed under this subdivision must include
17 minority, female, and small business representation.

18 (vi) Of the members appointed under this subdivision, at least
19 2 must have experience in private equity or venture capital
20 investments, at least 1 must have experience in commercial lending,
21 and at least 1 must have experience in commercialization of
22 technology.

23 (vii) Except as otherwise provided in this subparagraph,
24 members appointed under this subdivision must be appointed for a
25 term of 4 years. Members described in this subdivision that were
26 appointed under Executive Reorganization Order No. 2019-3, MCL
27 125.1998, shall serve the terms provided in Executive
28 Reorganization Order No. 2019-3, MCL 125.1998.

29 (4) In addition to the 11 members of the board under

1 subsection (3), not later than December 31, 2023, the governor
2 shall appoint, with the advice and consent of the senate, 2
3 additional members to the board for terms expiring December 31,
4 2027. After the initial appointments under this subsection, members
5 appointed under this subsection must be appointed for a term of 4
6 years. The members appointed under this subsection shall be from
7 the private sector and shall have experience in private equity or
8 venture capital investments, commercial lending, or
9 commercialization of technology. One of the members appointed under
10 this subsection must be appointed from a list of 3 or more nominees
11 of the senate minority leader, and the other member appointed under
12 this subsection must be appointed from a list of 3 or more nominees
13 of the house minority leader.

14 **(5) In addition to the members of the board under subsections**
15 **(3) and (4), subject to subdivision (c), the following individuals**
16 **described in subdivisions (a) and (b) shall serve as nonvoting**
17 **members of the board:**

18 **(a) The majority chairperson and minority vice-chairperson of**
19 **a standing committee of the senate as selected by the senate**
20 **majority leader. Members appointed under this subdivision shall**
21 **serve a term of 2 years. On the expiration of the 2-year term, the**
22 **senate majority leader shall appoint new members as provided in**
23 **this subdivision.**

24 **(b) The majority chairperson and minority vice-chairperson of**
25 **a standing committee of the house of representatives as selected by**
26 **the speaker of the house of representatives. Members appointed**
27 **under this subdivision shall serve a term of 2 years. On the**
28 **expiration of the 2-year term, the speaker of the house of**
29 **representatives shall appoint new members as provided in this**

1 subdivision.

2 (c) The nonvoting members appointed under this subsection
3 shall not be counted for purposes of determining a quorum of the
4 board or for purposes of determining whether a majority vote has
5 been achieved under subsection (10).

6 (6) ~~(5)~~—A member appointed under subsection (3) or (4) shall
7 serve until a successor is appointed, and a vacancy must be filled
8 for the balance of the unexpired term in the same manner as the
9 original appointment.

10 (7) ~~(6)~~—The governor shall designate 1 member of the board,
11 other than the director of the department of labor and economic
12 opportunity, to serve as president of the fund and may designate 1
13 member to serve as vice-president of the fund. The president and
14 vice-president, if a vice-president is designated, shall serve as
15 those officers at the pleasure of the governor. The member of the
16 board who is designated to serve as president of the fund is the
17 chairperson of the board. The members of the board may elect a
18 vice-chairperson from among their members.

19 (8) ~~(7)~~—Members of the board shall serve without compensation
20 for their membership on the board, except that members of the board
21 may receive reasonable reimbursement for necessary travel and
22 expenses.

23 (9) ~~(8)~~—The board may delegate to its president, vice-
24 president, staff, or others, including the MEDC, those functions
25 and authority that the board considers necessary or appropriate,
26 which may include the oversight and supervision of employees of the
27 fund. However, responsibilities specifically vested in the board
28 under chapter 8A shall be performed by the board and shall not be
29 transferred to the MEDC, except that Michigan business development

1 program incentives under section 88r, and community revitalization
2 incentives under chapter 8C, of \$1,000,000.00 or less may be
3 authorized by the president of the fund.

4 (10) ~~(9)~~—A majority of the members of the board appointed and
5 serving constitutes a quorum for the transaction of business at a
6 meeting, or the exercise of a power or function of the fund,
7 notwithstanding the existence of 1 or more vacancies. The board may
8 act only by resolution approved by a majority of board members
9 appointed and serving. Voting on action taken by the board must be
10 conducted by majority vote of the members appointed and serving.
11 Members of the board may be present in person at a meeting of the
12 board or, if authorized by the bylaws of the board, by use of
13 telecommunications or other electronic equipment. The fund shall
14 meet at the call of the chair and as may be provided in the bylaws
15 of the fund. Meetings of the fund may be held anywhere within this
16 state.

17 (11) ~~(10)~~—The business of the board must be conducted at a
18 public meeting of the board held in compliance with the open
19 meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of
20 the time, date, and place of the meeting must be given in the
21 manner required by the open meetings act, 1976 PA 267, MCL 15.261
22 to 15.275, and must also be provided on an internet website
23 operated by the fund. A record or portion of a record, material, or
24 other data received, prepared, used, or retained by the fund or any
25 of its centers in connection with an application to or with a
26 project or product assisted by the fund or any of its centers or
27 with an award, grant, loan, or investment that relates to financial
28 or proprietary information submitted by the applicant that is
29 considered by the applicant and acknowledged by the board or a

1 designee of the board as confidential is not subject to the
2 disclosure requirements of the freedom of information act, 1976 PA
3 442, MCL 15.231 to 15.246. The disclosure of a record concerning
4 investment information described in section 88c under the freedom
5 of information act, 1976 PA 442, MCL 15.231 to 15.246, is subject
6 to the limitations provided in section 88c. The board may also meet
7 in closed session pursuant to the open meetings act, 1976 PA 267,
8 MCL 15.261 to 15.275, to determine whether it acknowledges as
9 confidential any financial or proprietary information submitted by
10 the applicant and considered by the applicant as confidential.
11 Unless considered proprietary information, the board shall not
12 acknowledge routine financial information as confidential. If the
13 board determines that information submitted to the fund is
14 financial or proprietary information and is confidential, the board
15 shall release a written statement, subject to disclosure under the
16 freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, that
17 states all of the following:

18 (a) The name and business location of the person requesting
19 that the information submitted be confidential as financial or
20 proprietary information.

21 (b) That the information submitted was determined by the board
22 to be confidential as financial or proprietary information.

23 (c) A broad nonspecific overview of the financial or
24 proprietary information determined to be confidential.

25 **(12)** ~~(11)~~—The fund shall not disclose financial or proprietary
26 information not subject to disclosure pursuant to subsection ~~(10)~~
27 **(11)** without consent of the applicant submitting the information.

28 **(13)** ~~(12)~~—Any document to which the fund is a party evidencing
29 a loan, insurance, mortgage, lease, venture, or other type of

1 agreement the fund is authorized to enter into is not considered
2 financial or proprietary information that may be exempt from
3 disclosure under subsection ~~(10)~~. **(11)**.

4 **(14)** ~~(13)~~ For purposes of subsections ~~(10)~~, ~~(11)~~, ~~and~~ ~~(12)~~,
5 **and (13)**, "financial or proprietary information" means information
6 that has not been publicly disseminated or that is unavailable from
7 other sources, the release of which might cause the applicant
8 significant competitive harm.

9 Sec. 9. (1) The fund shall transmit to each member of the
10 legislature, the governor, the clerk of the house of
11 representatives, the secretary of the senate, and the senate and
12 house fiscal agencies annually a report of its activities. The
13 report ~~shall~~ **must** be transmitted not later than April 10 of each
14 year for activities in the immediately preceding state fiscal year.
15 The report ~~shall~~ **must** not include information exempt from
16 disclosure under section 5. The report ~~shall~~ **must** include, but is
17 not limited to, all of the following for each program operated
18 under this act:

19 (a) A list of entities that received financial assistance.

20 (b) The type of project or product being financed.

21 (c) The amount and type of financial assistance.

22 (d) For each separate form of financial assistance, all of the
23 following:

24 (i) The number of new jobs committed or projected when the
25 financial assistance was applied for.

26 (ii) The number of retained jobs committed or projected when
27 the financial assistance was applied for.

28 (iii) The actual number of new jobs created that are not
29 temporary employees.

1 (iv) The actual number of retained jobs that are not temporary
2 employees.

3 (v) The average annual salary of the new jobs created that are
4 not temporary employees.

5 (vi) The average annual salary of the retained jobs that are
6 not temporary employees.

7 (e) The duration of the financial assistance.

8 (f) The amount of financial support other than state
9 resources.

10 (g) Money or other revenue or property returned to the fund,
11 including any repayments through a clawback provision in the
12 agreement.

13 (h) The status of all loans of the fund.

14 (i) A list of all entities that are in bankruptcy, that the
15 fund has received actual notice of, filed by a direct recipient of
16 an active single incentive of at least \$500,000.00. In addition,
17 the fund shall, within 120 days after the fund receives notice,
18 provide a report of the notice of bankruptcy on its website and
19 shall forward the report to each of the following:

20 (i) The senate majority leader and the senate minority leader.

21 (ii) The speaker of the house and the house minority leader.

22 (iii) The members of the house ~~commerce and tourism~~ **economic**
23 **development and small business** committee.

24 (iv) The members of the house appropriations subcommittee on
25 general government.

26 (v) The members of the senate economic and ~~small business~~
27 **community** development committee.

28 (vi) The members of the senate appropriations subcommittee on
29 general government.

1 (j) A summary of the approximate administrative costs used to
2 administer the programs and activities authorized under this act.

3 (k) Any other information as required in this section.

4 (2) The auditor general or a certified public accountant
5 appointed by the auditor general annually shall conduct and remit
6 to the legislature an audit of the fund and, in the conduct of the
7 audit, shall have access to all records of the fund at any time,
8 whether or not confidential. Each audit required by this section
9 shall include a determination of whether the fund is likely to be
10 able to continue to meet its obligations, including a report on the
11 status of outstanding loans and agreements made by the fund.

12 (3) The fund shall also transmit the audit described in
13 subsection (2) to the chairperson and minority vice-chairperson of
14 the senate appropriations subcommittee on general government and
15 the house of representatives appropriations subcommittee on general
16 government. The fund shall make the report and audit available to
17 the public on the fund's website.

18 (4) The report described in subsection (1) must also contain
19 all of the following that are related to a 21st century investment
20 made by the fund board under chapter 8A:

21 (a) The amount of qualified venture capital fund investments,
22 qualified mezzanine fund investments, and qualified private equity
23 fund investments under management in this state, including year-to-
24 year growth.

25 (b) The value of loan enhancement program investments,
26 qualified private equity fund investments, qualified mezzanine fund
27 investments, and qualified venture capital investments in qualified
28 businesses, including year-to-year growth.

29 (c) A statement of the amount of money in each loan reserve

1 fund established under the small business capital access program
2 required under chapter 8A.

3 (5) The report described in subsection (1) must also include,
4 but is not limited to, all of the following for all actions under
5 section 88r:

6 (a) The total actual amount of qualified investment attracted
7 under section 88r as reported to the fund.

8 (b) The total actual number of new jobs created under section
9 88r as reported to the fund.

10 (c) The actual amount of the grant, loan, or other economic
11 assistance made under section 88r separately for each qualified
12 business verified by the fund.

13 (d) For each qualified business, whether it is a new business,
14 whether it is an expansion of an existing business, or whether it
15 relocated from outside of this state.

16 (e) An evaluation of the aggregate return on investment that
17 this state realizes on the actual qualified new jobs and actual
18 qualified investment made by qualified businesses.

19 (6) The report described in subsection (1) must also include,
20 but is not limited to, all of the following for all actions under
21 chapter 8B:

22 (a) For tourism promotion efforts, all of the following:

23 (i) An itemized list, by market, of how much was spent, types
24 of media purchased, and target of the tourism promotion campaign.

25 (ii) The return on investment analysis that utilizes existing
26 baseline data and compares results with prior outcome evaluations
27 funded by Travel Michigan.

28 (b) For business development efforts, all of the following:

29 (i) An itemized list, by market, of how much was spent, types

1 of media purchased, and target of the business promotion campaign.

2 (ii) A performance analysis that compares the program or
3 campaign objectives and outcome of the campaign or program.

4 (7) The report described in subsection (1) must also include,
5 but is not limited to, all of the following for all actions under
6 section 90d:

7 (a) The total actual amount of private investment attracted
8 under section 90d as reported to the fund.

9 (b) The actual amount of the community revitalization
10 incentives made under chapter 8C separately for each project.

11 (c) The total actual amount of square footage revitalized or
12 added for each project approved under section 90d as reported to
13 the fund. When reporting square footage, the person must report the
14 square footage by category, including, but not limited to,
15 commercial, residential, or retail.

16 (d) The aggregate increase in taxable value of all property
17 subject to a written agreement under chapter 8C when established
18 and recorded by the local units of government and as reported to
19 the fund.

20 (e) The total actual number of residential units revitalized
21 or added for each project approved under section 90d as reported to
22 the fund.

23 (f) Each project that received a community revitalization
24 incentive outside the fund program standards and guidelines and why
25 the variance was given.

26 (8) Beginning on and after January 1, 2012, on a monthly basis
27 the fund shall provide exact copies of all information regarding
28 all actions under chapter 8C that is provided to board members of
29 the fund for the purpose of monthly board meetings, subject to

1 confidentiality under section 5, to each of the following and post
2 that information on the fund's website:

3 (a) The chairperson and minority vice-chairperson of the house
4 ~~commerce and tourism~~ **economic development and small business**
5 committee.

6 (b) The chairperson and minority vice-chairperson of the house
7 appropriations subcommittee on general government.

8 (c) The chairperson and minority vice-chairperson of the
9 senate economic and ~~small business~~ **community** development committee.

10 (d) The chairperson and minority vice-chairperson of the
11 senate appropriations subcommittee on general government.

12 (9) The report described in subsection (1) must also include a
13 summary of the approximate administrative costs used to administer
14 the programs and activities authorized in the following sections:

15 (a) Section 88b.

16 (b) Section 88h.

17 (c) Section 90b.

18 (10) The report described in subsection (1) must also include,
19 but is not limited to, all of the following for all actions for
20 business incubators approved by the fund after January 14, 2015:

21 (a) The number of new jobs created and projected new job
22 growth by current clients of the business incubator.

23 (b) Amounts of other funds leveraged by current clients of the
24 business incubator.

25 (c) Increases in revenue for current clients of the business
26 incubator.

27 (11) The report described in subsection (1) must also include
28 the actual repayments received by the fund for failure to comply
29 with clawback provisions of the written agreement under all of the

1 following:

2 (a) Section 78.

3 (b) Section 88d.

4 (c) Section 88k.

5 (d) Section 88q.

6 (e) Section 88r.

7 (f) Section 90b.

8 (12) Beginning on July 1, 2015, the fund shall post on the
9 fund's website a list of each contract, agreement, or other written
10 loan or grant documentation for financial assistance under sections
11 88r and 90b that the fund entered into or modified in the
12 immediately preceding fiscal year.

13 (13) Beginning on July 1, 2015, the fund shall post and update
14 periodically all of the following on its website for all loans made
15 under sections 88r and 90b:

16 (a) A description of the project for which the loan was made.

17 (b) The total amount of the loan.

18 (c) Whether payments on the loan balance are current or
19 delinquent.

20 (d) The interest rate of the loan.

21 (14) Beginning July 1, 2015, the report described in
22 subsection (1) ~~shall~~**must** also contain all of the following for
23 each program that provides financial assistance under this act that
24 requires a site visit:

25 (a) A copy of the site visit guidelines for that program.

26 (b) The number of site visits conducted under that program.

27 (c) The chief compliance officer shall review and evaluate
28 compliance with the site visit guidelines.

29 (15) The fund shall post on its website and update

1 periodically all of the information described in subsection (14).

2 (16) The report described in subsection (1) must also include,
3 but is not limited to, all of the following for all written
4 agreements related to the good jobs for Michigan program created
5 under chapter 8D:

6 (a) The name of the authorized business.

7 (b) The number of certified new jobs required to be
8 maintained.

9 (c) The amount and duration of the withholding tax capture
10 revenues.

11 (17) The report described in subsection (1) must also include
12 the activities of the critical industry program described in
13 section 88s. **For projects receiving an award under the critical**
14 **industry program after the effective date of the amendatory act**
15 **that added section 88v, except projects to which section 88v(6)**
16 **applies, the information provided under this subsection must**
17 **include, but is not limited to, the status of the project and how**
18 **the progress of that project reasonably satisfies the criteria**
19 **identified in sections 88s and 88v.**

20 (18) The report described in subsection (1) must also include
21 the activities of the Michigan strategic site readiness program
22 described in section 88t. **For projects receiving an award under the**
23 **Michigan strategic site readiness program after the effective date**
24 **of the amendatory act that added section 88v, except projects to**
25 **which section 88v(6) applies, the information provided under this**
26 **subsection must include, but is not limited to, the status of the**
27 **project and how the progress of that project reasonably satisfies**
28 **the criteria identified in sections 88t and 88v.**

29 (19) **For projects receiving an award under the critical**

1 industry program described in section 88s or the Michigan strategic
 2 site readiness program described in section 88t after the effective
 3 date of the amendatory act that added section 88v, except projects
 4 to which section 88v(6) applies, the report described in subsection
 5 (1) must also include the activities of the Michigan 360 program
 6 described in section 88u, including, but not limited to,
 7 identification of the project to which the eligible activities
 8 under the Michigan 360 program relate, the status of the eligible
 9 activities, and how the progress of those eligible activities
 10 satisfies the criteria identified in sections 88u and 88v.

11 (20) ~~(19)~~As used in this section, "financial assistance"
 12 means grants, loans, other economic assistance, and any other
 13 incentives or assistance under this act.

14 Sec. 88s. (1) The fund shall create ~~and operate~~ the critical
 15 industry program. **The program shall be operated and implemented by**
 16 **the authorized employees, officers, and agents of the fund, which**
 17 **may include employees of the Michigan economic development**
 18 **corporation.** The fund ~~shall use~~ **may expend** money transferred from
 19 the ~~strategic outreach and attraction reserve~~ **make it in Michigan**
 20 fund created in section 4 of the Michigan trust fund act, 2000 PA
 21 489, MCL 12.254, or money appropriated to the program to make
 22 qualified investments **in or provide other economic assistance** to
 23 qualified businesses **as described in this section and section 88v.**
 24 **The amount of a qualified investment or other economic assistance**
 25 **to be paid to a qualified business under the program shall be**
 26 **reduced by 5%, which shall be retained by the fund for additional**
 27 **administrative expenses under this section.**

28 (2) ~~The~~ **Subject to section 88v, the** fund shall expend money
 29 allocated to the ~~Michigan~~ critical industry program only to provide

1 qualified investments to qualified businesses for deal-closing, gap
2 financing, or other economic assistance to create or retain
3 qualified jobs ~~as a result of a technological shift in product or~~
4 ~~production~~ **that the fund determines are critical to the economic**
5 **growth and development of this state** or make capital investments,
6 or both, as determined by the fund board. The ~~program must provide~~
7 ~~for a detailed~~ **fund shall adopt an** application, approval, and
8 compliance process **for the program** that is ~~also~~ published and
9 available on the ~~fund's~~ website **of the fund or the Michigan**
10 **economic development corporation.**

11 (3) The fund ~~shall~~ **must** consider and document ~~at a minimum~~ all
12 of 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~~ **potential economic impact** of the project to
17 the community in which it is located **and this state.**

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

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

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

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

29 (f) **The amount of any private funds, investments, or**

1 **contributions for the project, including, but not limited to, the**
 2 **qualified business's own investments in the project.**

3 ~~(g) (d)~~—The applicant's financial need for a qualified
 4 investment from the critical industry program.

5 ~~(h) (e)~~—The extent of reuse of vacant buildings, public or
 6 private, reuse of historic resources, and redevelopment of blighted
 7 property.

8 ~~(i) (f)~~—~~Creation~~**The projected creation** or retention of
 9 qualified jobs **at or** as a result of ~~a technological shift in~~
 10 ~~product or production at~~ the project location ~~and~~ within this
 11 state.

12 ~~(g)~~ The level of other public funds including, but not limited
 13 to, the appropriation of federal or state funds and any federal or
 14 state tax credits.

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

18 **(j) Whether the qualified jobs associated with the project are**
 19 **at or above the median hourly wage of the prosperity region in**
 20 **which the project is or will be located.**

21 **(k) The extent to which the applicant will leverage the local**
 22 **skilled workforce and department of labor and economic opportunity**
 23 **programs for the development and construction at the project**
 24 **location.**

25 ~~(l) (i)~~—Whether and how the project is financially and
 26 economically sound.

27 ~~(m) (j)~~—Whether and how the project promotes sustainable
 28 development. **As used in this subdivision, "sustainable development"**
 29 **means development that uses natural resources responsibly,**

1 **minimizes ecological and environmental impacts, and improves**
2 **community resilience to natural disasters while preserving the**
3 **ability of future generations to meet their own needs.**

4 ~~(k) Whether and how the project involves the rehabilitation of~~
5 ~~a historic resource.~~

6 ~~(n) ~~(l)~~ Whether and how the project addresses areawide~~
7 ~~redevelopment and the overall economic benefit to the existing~~
8 ~~supply chain.~~

9 ~~(o) ~~(m)~~ The level and extent of environmental contamination~~
10 **that may be present and would be remediated and the plan for**
11 **remediating the environmental contamination.**

12 ~~(p) ~~(n)~~ Whether and how the project will compete with or~~
13 ~~affect **support** existing Michigan businesses within the same~~
14 ~~industry.~~

15 ~~(o) Whether and how the project's proximity to rail and~~
16 ~~utility will impact performance of the project and maximize energy~~
17 ~~and logistics needs in the community in which it is located and in~~
18 ~~this state.~~

19 ~~(p) The risk of obsolescence of the project, products, and~~
20 ~~investments in the future.~~

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

22 ~~(r) Whether and how the project addresses food supply~~
23 ~~challenges.~~

24 ~~(s) Any other additional criteria approved by the board that~~
25 ~~are specific to each individual project and are consistent with the~~
26 ~~purpose of this program.~~

27 **(r) Whether the proposed project is or will be located in a**
28 **qualified opportunity zone, a HUBZone, or a county, city, village,**
29 **or township with an unemployment rate that exceeds the average**

1 unemployment rate in this state.

2 (s) If the project is not or will not be located in an area
3 described in subdivision (r), whether the project will be located
4 in a county, city, village, or township experiencing consistent
5 population growth that has a median income higher than the
6 statewide median income.

7 (t) Whether the proposed project is or will be located in a
8 county, city, village, or township that is or is projected to be
9 impacted by industry or technological shifts.

10 (u) Whether the project will result in equitable job growth
11 based on providing training and advancement opportunities for
12 employees.

13 (v) Whether the qualified business provides employer-sponsored
14 benefits, including, but not limited to, health care coverage,
15 retirement savings, paid family and medical leave, housing
16 assistance, and child care.

17 (w) The extent to which the qualified business engages or is
18 engaged with the community in which the project is or will be
19 located.

20 (x) Whether the employees have the right to self-organization,
21 to form, join, or assist labor organizations, to bargain
22 collectively through representatives of their own choosing, and to
23 engage in other concerned activities for the purpose of collective
24 bargaining or other mutual aid or protection.

25 (y) Whether the qualified business has downsized or
26 permanently laid off workers within this state within 2 years of
27 the potential award and, if downsizing or permanent layoffs
28 occurred, the salary range of the affected employees. The fund must
29 consider the net job loss or gain and the overall impact on net

1 median income when determining whether to award a qualified
2 investment.

3 (z) The extent that the proposed project will attempt to
4 coordinate with already existing resources and programs within this
5 state, including, but not limited to, all of the following:

6 (i) For hiring, employment, workforce development, and other
7 similar needs, the Michigan works one-stop service center system
8 created under the Michigan works one-stop service center system
9 act, 2006 PA 491, MCL 408.111 to 408.135.

10 (ii) For community infrastructure investments to expand access
11 to, increase the affordability of, or otherwise improve high-speed
12 internet services, the Michigan high-speed internet office created
13 by Executive Directive No. 2021-2.

14 (iii) For community housing needs and planning, implementation,
15 and other activities in connection with those needs, the Michigan
16 state housing development authority created in section 21 of the
17 state housing development authority act of 1966, 1966 PA 346, MCL
18 125.1421.

19 (iv) For land acquisition and other land needs for community
20 investment and planning, implementation, and other activities in
21 connection with these land needs, the state land bank authority and
22 local land bank authorities. As used in this subparagraph:

23 (A) "Local land bank authorities" means local authorities and
24 county authorities as those terms are defined in section 3 of the
25 land bank fast track act, 2003 PA 258, MCL 124.753.

26 (B) "State land bank authority" means the state authority as
27 that term is defined in section 3 of the land bank fast track act,
28 2003 PA 258, MCL 124.753.

29 (v) For transportation needs and planning, implementation, and

1 other activities in connection with those needs, the state
2 transportation department.

3 (4) If the fund determines, after ~~making the considerations~~
4 ~~under considering the criteria in~~ subsection (3) **and determining**
5 **that the project reasonably satisfies the applicable criteria,** to
6 award a qualified investment to a qualified business under this
7 program, the fund shall enter into a written agreement with the
8 qualified business that includes ~~in a clear and concise manner all~~
9 ~~of the terms and conditions relating~~ **related** to the qualified
10 investment as determined and documented by the fund. ~~board,~~
11 ~~including, but not limited to,~~ **In determining whether a project**
12 **reasonably satisfies the criteria in subsection (3), the fund shall**
13 **make a holistic evaluation of the applicable criteria in subsection**
14 **(3) to determine if the goals of the program, as described in this**
15 **section and section 88v, will be met. A project is not required to**
16 **satisfy all of the criteria for the fund to determine that the**
17 **project reasonably satisfies the criteria in subsection (3). Before**
18 **entering into the written agreement, the fund must submit a copy of**
19 **the negotiated terms to the senate majority leader, the speaker of**
20 **the house of representatives, the chairs of the senate and house of**
21 **representatives appropriations committees, and the 4 members of the**
22 **legislature who serve as nonvoting members of the board under**
23 **section 5(5) along with the fund's written analysis of the criteria**
24 **under subsection (3) and section 88v. The written agreement must**
25 **include all of the following provisions:**

26 (a) **The amount of the total qualified investment to be**
27 **awarded.**

28 (b) ~~(a) Specific time frames~~ **dates** and benchmarks ~~to be met~~
29 ~~before~~ **for** the qualified business ~~receives a~~ **to receive the**

1 **qualified investment, including conditions for the** disbursement of
 2 **money** in installments. ~~under the critical industry program pursuant~~
 3 ~~to the approved qualified investment.~~

4 (c) ~~(b)~~ Specific terms relating to the required **qualified job**
 5 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,~~ including measurable outcomes,
 8 proration of payments for partial performance, **and** clawback and
 9 specific repayment provisions for ~~breach of~~ **noncompliance with** the
 10 agreement. ~~, or for failure to meet measurable outcomes.~~

11 (d) ~~(e)~~ Specific penalties for noncompliance with the written
 12 agreement as determined by the fund.

13 (e) ~~(d)~~ A provision that all money that is subject to a
 14 clawback or required to be repaid under a specific repayment
 15 provision must be paid ~~within~~ **not later than** 90 days ~~of~~ **after**
 16 notification by the fund. Any amounts not paid within that 90-day
 17 period are subject to a penalty of 1% per month, prorated on a
 18 daily basis.

19 (f) **An audit provision that requires the fund to verify that**
 20 **the benchmarks required for the project have been satisfied.**

21 (g) ~~(e)~~ A provision that this state ~~shall~~ **may** have a security
 22 interest as defined in section ~~1201(2)(ii)~~ **1201** of the uniform
 23 commercial code, 1962 PA 174, MCL 440.1201, ~~to the extent of the~~
 24 ~~qualified investment.~~ **as determined by the fund board.** This
 25 provision does not apply if it conflicts with any contractual
 26 obligation of the qualified business or any federal or state
 27 bankruptcy or insolvency laws.

28 (h) ~~(f)~~ A provision that the qualified business will provide
 29 the data described in the written agreement ~~that are necessary for~~

1 the fund to report to the legislature as required under this
2 program.

3 (i) ~~(g)~~—A provision that the qualified business may enter into
4 direct agreements with workforce training providers, when
5 appropriate, as determined by the fund to meet the workforce
6 requirements of ~~a—the~~ qualified investment.

7 (j) **A provision that, to the knowledge of the applicant, there**
8 **are no proceedings pending before any government commission, board,**
9 **bureau, or other administrative agency or tribunal that would have**
10 **a materially adverse effect on the project or the performance of**
11 **the applicant's obligations under the written agreement.**

12 (5) If the fund receives a request to modify an existing
13 written agreement, for a qualified investment under this program,
14 the fund must provide a copy of that requested modification to ~~each~~
15 ~~member of the legislature, the senate majority leader, the speaker~~
16 **of the house of representatives, the chairs of the senate and house**
17 **of representatives appropriations committees, the 4 members of the**
18 **legislature who serve as nonvoting members of the board under**
19 **section 5(5), the governor, the clerk of the house of**
20 **representatives, the secretary of the senate, and the senate and**
21 **house fiscal agencies within 5 business days of the receipt of the**
22 **modification request and before entering into an amended written**
23 **agreement.** In addition to the copy of the request for modification,
24 the notice provided under this subsection must also include the
25 specific provisions to be modified and the rationale for
26 considering the modification. Before the fund modifies an existing
27 written agreement for a qualified investment, the fund must give
28 notice of the proposed amendments and publish them on the fund's
29 internet website at least 1 business day ~~prior to—before~~ a public

1 hearing on the proposed amendments. If the fund approves and
 2 modifies an existing written agreement under this subsection, the
 3 fund must provide a copy of that amended written agreement to ~~each~~
 4 ~~member of the legislature, the senate majority leader, the speaker~~
 5 **of the house of representatives, the chairs of the senate and house**
 6 **of representatives appropriations committees, the 4 members of the**
 7 **legislature who serve as nonvoting members of the board under**
 8 **section 5(5),** the governor, the clerk of the house of
 9 representatives, the secretary of the senate, and the senate and
 10 house fiscal agencies within 1 business day of the modification.

11 ~~(6) If the fund board seeks to make a determination as to~~ **In**
 12 **determining** whether a qualified investment approved under this
 13 program represents a fair exchange of value for value, the fund may
 14 consider the total value to this state of the qualified investment
 15 and the best interests of this state, including, but not limited
 16 to, any positive economic impact to this state likely to be
 17 generated by the qualified business pursuant to the written
 18 agreement for a qualified investment, especially economic impact
 19 resulting in the location of a high-economic-impact business
 20 facility in this state, increased capital investment in this state,
 21 and the creation or retention of qualified jobs ~~as a result of a~~
 22 ~~technological shift in product or production in this state~~ **that the**
 23 **fund determines are critical to the economic growth and development**
 24 **of this state.**

25 (7) The fund ~~board~~ shall not disburse funds allocated to the
 26 program for a qualified investment **under this section** to a
 27 qualified business if that qualified business has not fully repaid
 28 all money subject to clawback or required to be repaid under a
 29 specific repayment provision as provided in any written agreement

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

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

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

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

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

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

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

1 (ii) The actual number of qualified jobs created or retained.
2 ~~as a result of a technological shift in product or production that~~
3 ~~are not temporary employees.~~

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

7 (e) The duration of the qualified investment.

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

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

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

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

22 (11) As used in this section:

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

25 **(b) "HUBZone" means that term as defined in 13 CFR part 126.**

26 **(c) ~~(b)~~ "Qualified business" means a business that is located**
27 **in or operates in this state or will locate or will operate in this**
28 **state as determined by the fund board. A qualified business may**
29 **include more than 1 business as determined by the fund board.**

1 (d) ~~(e)~~—"Qualified investment" means a grant, loan, or other
 2 economic assistance for a project subject to a written agreement
 3 with a qualified business under this program. Qualified investment
 4 includes a grant, loan, or other economic assistance for creation
 5 or retention of qualified jobs ~~as a result of a technological shift~~
 6 ~~in product or production,~~ **that the fund determines are critical to**
 7 **the economic growth and development of this state,** infrastructure
 8 improvements, other capital investments, the purchase or
 9 acquisition of heavy machinery, or other assistance, including, but
 10 not limited to, an agreement providing for assistance via the
 11 transportation economic development fund created under section 2 of
 12 1987 PA 231, MCL 247.902. Qualified investment also includes a
 13 grant, loan, or other economic assistance for job training
 14 opportunities or workforce development and education, or both.

15 (e) ~~(d)~~—"Qualified job" means a **permanent, full-time** job
 16 performed by an individual who is a resident of this state whose
 17 Michigan income taxes are withheld by an employer, or an employee
 18 leasing company or professional employer organization on behalf of
 19 the employer, or by an individual who is not a resident of this
 20 state and is employed by a business at a project location that is
 21 located in this state, as determined and verified by the fund.

22 Sec. 88t. (1) The fund shall create ~~and operate~~ the Michigan
 23 strategic site readiness program. **The program shall be operated and**
 24 **implemented by the authorized employees, officers, and agents of**
 25 **the fund, which may include employees of the Michigan economic**
 26 **development corporation.** The fund shall ~~use the program~~ **may expend**
 27 money transferred from the ~~strategic outreach and attraction~~
 28 ~~reserve~~ **make it in Michigan** fund created in section 4 of the
 29 Michigan trust fund act, 2000 PA 489, MCL 12.254, or money

1 appropriated to the program to make grants, loans, or other
 2 economic assistance under this program **as described in this section**
 3 **and section 88v. The amount of a grant, loan, or other economic**
 4 **assistance to be paid to an eligible applicant under the program**
 5 **shall be reduced by 5%, which shall be retained by the fund for**
 6 **additional administrative expenses under this section.**

7 (2) ~~The~~ **Subject to section 88v, the** fund shall expend money
 8 allocated to the Michigan strategic site readiness program only to
 9 provide grants, loans, and other economic assistance for eligible
 10 applicants ~~to conduct~~ **for** eligible activities for the purpose of
 11 creating investment-ready sites to attract and promote investment
 12 in this state for eligible activities on, or related to, strategic
 13 sites and mega-strategic sites. ~~The program must provide for a~~
 14 ~~detailed~~ **fund shall adopt an** application, approval, and compliance
 15 process that is ~~also~~ published and available on the ~~fund's~~ website
 16 **of the fund or the Michigan economic development corporation.** The
 17 ~~detailed~~ application, approval, and compliance process must, at a
 18 minimum, provide ~~for all of~~ the following:

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

22 (b) The fund ~~shall~~ **must** establish separate application
 23 criteria for mega-strategic sites and for strategic sites that are
 24 not mega-strategic sites. ~~and for sites that have, and that do not~~
 25 ~~have, a specifically identified end user.~~

26 (3) Before approving an application under this section, the
 27 fund ~~shall~~ **must** consider and document ~~, at a minimum,~~ all of the
 28 following criteria to the extent reasonably applicable ~~as~~
 29 ~~reasonably determined by the fund board to the type of project~~

1 ~~proposed~~ before entering into a written agreement for a grant,
 2 loan, or other economic assistance as provided under this program:

3 (a) ~~The importance of the project or eligible activities to~~
 4 ~~the community in which it is located.~~ **The potential economic impact**
 5 **of the project to this state.**

6 (b) ~~If~~ **Whether** the project will act as a catalyst for
 7 additional ~~revitalization of the community in which it is located~~
 8 ~~and~~ **economic growth in** this state.

9 (c) The amount of local community and financial support for
 10 the project.

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

13 (e) The amount of any other economic assistance or support
 14 provided by the federal government for the project, including, but
 15 not limited to, federal **grants, loans,** appropriations, or tax
 16 credits.

17 (f) The amount of any private funds, ~~or~~ investments, **or**
 18 **contributions** for the project, including, **but not limited to,** the
 19 applicant's own investments in the project.

20 (g) The applicant's financial need for a grant, loan, or other
 21 economic assistance under this program.

22 (h) The extent of reuse of vacant buildings, public or
 23 private, reuse of historic resources, and redevelopment of blighted
 24 property.

25 (i) ~~Creation~~ **The projected creation** or retention of qualified
 26 jobs **at or** as a result of a ~~technological shift in product or~~
 27 ~~production at~~ the project location ~~and~~ within this state.

28 (j) **The extent to which the applicant will leverage the local**
 29 **skilled workforce and department of labor and economic opportunity**

1 **programs for the development and construction at the project**
 2 **location.**

3 ~~(k) (j)~~ Whether and how the project is financially and
 4 economically sound.

5 ~~(k) Whether and how the project converts abandoned public~~
 6 ~~buildings to private use.~~

7 (l) Whether and how the project promotes sustainable
 8 development. **As used in this subdivision, "sustainable development"**
 9 **means development that uses natural resources responsibly,**
 10 **minimizes ecological and environmental impacts, and improves**
 11 **community resilience to natural disasters while preserving the**
 12 **ability of future generations to meet their own needs.**

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

15 (m) ~~(n)~~ Whether and how the project addresses areawide
 16 redevelopment.

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

19 (n) ~~(p)~~ The level and extent of **any** environmental
 20 contamination **that may be present and would be remediated and the**
 21 **plan for remediating the environmental contamination.**

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

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

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

1 (p) Whether the project is or will be located in a county,
2 city, village, or township with an unemployment rate that exceeds
3 the average unemployment rate in this state.

4 (q) Whether the project is or will be located in a county,
5 city, village, or township that is or is projected to be impacted
6 by industry or technological shifts.

7 (r) ~~(t)~~—The overall return on investment to this state.

8 (s) The strategic economic importance of the project to the
9 community in which it is located and to this state.

10 (t) Whether financial assistance is needed to secure the
11 project in this state.

12 (u) The degree to which the project is a priority for the
13 local governmental unit or local economic development corporation
14 in the jurisdiction of which the site is located.

15 (v) The level of capital investment.

16 (w) The evidence of the end user's commitment to the site.

17 ~~(u) Whether the proposed strategic site or mega-strategic site
18 is incorporated into a strategic plan of a political subdivision of
19 this state.~~

20 ~~(v) Any other additional criteria approved by the fund board
21 that are specific to each individual project and are consistent
22 with the purpose of this program.~~

23 (4) If the fund determines, after ~~the considerations under~~
24 **considering the criteria in** subsection (3) **and determining that the**
25 **project reasonably satisfies the applicable criteria**, to provide a
26 grant, loan, or other economic assistance to an eligible applicant
27 under this program, the fund shall enter into a written agreement
28 with the eligible applicant that includes ~~in a clear and concise~~
29 ~~manner all of the~~ terms and conditions related to the grant, loan,

1 or other economic assistance as determined and documented by the
 2 fund. ~~board, including, but not limited to,~~ **In determining whether**
 3 **a project reasonably satisfies the criteria in subsection (3), the**
 4 **fund shall make a holistic evaluation of the applicable criteria in**
 5 **subsection (3) to determine if the goals of the program, as**
 6 **described in this section and section 88v, will be met. A project**
 7 **is not required to satisfy all of the criteria for the fund to**
 8 **determine that the project reasonably satisfies the criteria in**
 9 **subsection (3). Before entering into the written agreement, the**
 10 **fund must submit a copy of the negotiated terms to the senate**
 11 **majority leader, the speaker of the house of representatives, the**
 12 **chairs of the senate and house of representatives appropriations**
 13 **committees, and the 4 members of the legislature who serve as**
 14 **nonvoting members of the board under section 5(5) along with the**
 15 **fund's written analysis of the criteria under subsection (3) and**
 16 **section 88v. The written agreement must include all of the**
 17 **following provisions:**

18 **(a) The amount of the grant, loan, or other economic**
 19 **assistance to be awarded.**

20 **(b) ~~(a)~~ Specific dates and benchmarks for the eligible**
 21 **applicant to receive a ~~grant, loan, or other economic assistance~~**
 22 **funding under this program, including conditions for the**
 23 **disbursement of ~~funds~~ money in installments.**

24 **(c) ~~(b)~~ For a grant, a loan, or other economic assistance**
 25 **provided to a ~~person identified~~ an eligible applicant as the end**
 26 **user of the site, a clawback and specific repayment provision ~~if~~**
 27 **the ~~person fails to comply with the provisions of~~ for noncompliance**
 28 **with the written agreement.**

29 **(d) ~~(e)~~ A provision that all money that is subject to clawback**

1 or required to be repaid under a specific repayment provision must
 2 be paid ~~within~~ **not later than** 90 days ~~of~~ **after** notification by the
 3 fund. Any amounts not paid within that 90-day period are subject to
 4 a penalty of 1% per month, prorated on a daily basis.

5 **(e)** ~~(d)~~ A provision that this state ~~shall~~ **may** have a security
 6 interest as defined in section ~~1201(2)(ii)~~ **1201** of the uniform
 7 commercial code, 1962 PA 174, MCL 440.1201, ~~to the extent of the~~
 8 ~~grant, loan, or other economic assistance provided under this~~
 9 ~~program.~~ **as determined by the fund board.** This provision does not
 10 apply if it conflicts with any contractual obligation of the
 11 eligible applicant or any federal or state bankruptcy or insolvency
 12 laws.

13 **(f)** ~~(e)~~ An audit provision that requires the fund to verify
 14 that the ~~established~~ benchmarks **required** for the project have been
 15 ~~met.~~ **satisfied.**

16 **(g)** A provision that the eligible applicant will provide the
 17 data described in the written agreement necessary for the fund to
 18 report to the legislature as required under this program.

19 ~~(5) In addition to the considerations under subsection (3), in~~
 20 ~~determining whether to approve a grant, loan, or other economic~~
 21 ~~assistance for a strategic site for which an end user has not been~~
 22 ~~specifically identified, the fund shall consider and document, as~~
 23 ~~reasonably determined by the fund board, at a minimum all of the~~
 24 ~~following:~~

25 ~~(a) The degree to which the proposed site demonstrates a high~~
 26 ~~level of competitiveness for future development, considering and~~
 27 ~~documenting all of the following:~~

28 ~~(i) Whether the proposed site is currently assembled.~~

29 ~~(ii) Whether the proposed site is under site control.~~

1 ~~(iii) Whether the proposed site is of a size, configuration,~~
 2 ~~location, and condition that makes the site substantially ready for~~
 3 ~~marketing and competitive for development upon completion of the~~
 4 ~~grant, loan, or other economic assistance proposed to be offered~~
 5 ~~under this program and demonstrated matching contributions.~~

6 ~~(b) Whether the proposed investment will result in the~~
 7 ~~elimination of blight and the remediation of environmental~~
 8 ~~contamination.~~

9 ~~(c) The degree of local matching contributions.~~

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

12 ~~(e) Whether the eligible applicant has pursued all available~~
 13 ~~cost-containment measures.~~

14 ~~(6) In determining whether to approve a grant, loan, or other~~
 15 ~~economic assistance for a mega-strategic site for which an end user~~
 16 ~~has not been specifically identified, the fund shall consider and~~
 17 ~~document, in addition to the criteria in subsections (3) and~~
 18 ~~(5)(a), at a minimum all of the following criteria related to the~~
 19 ~~strategic basis for the investment and feasibility of the~~
 20 ~~investment:~~

21 ~~(a) Whether the proposed mega-strategic site is supported by a~~
 22 ~~strategic analysis that supports the demand for that site.~~

23 ~~(b) The feasibility of proposed land acquisition.~~

24 ~~(c) Utility and transportation availability, and the~~
 25 ~~feasibility of necessary utility and transportation improvements.~~

26 ~~(d) Workforce availability and training capability.~~

27 ~~(e) Environmental and topographical conditions, and the~~
 28 ~~feasibility of necessary site improvements to address environmental~~
 29 ~~and topographical conditions.~~

1 ~~(7) In addition to the considerations under subsection (3), in~~
 2 ~~determining whether to approve a grant, loan, or other economic~~
 3 ~~assistance for a project for which an end user has been~~
 4 ~~specifically identified, all of the following:~~

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

7 ~~(b) Whether the financial assistance is needed to secure the~~
 8 ~~project in this state.~~

9 ~~(c) The degree to which the project is a priority for the~~
 10 ~~local governmental unit or local economic development corporation~~
 11 ~~in the jurisdiction of which the site is located.~~

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

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

17 ~~(f) The level of capital investment.~~

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

19 **(5) (8)**—If the fund receives a request to modify an existing
 20 written agreement for a grant, loan, or other economic assistance
 21 under this program, the fund must provide a copy of that requested
 22 modification to ~~each member of the legislature,~~ **the senate majority**
 23 **leader, the speaker of the house of representatives, the chairs of**
 24 **the senate and house of representatives appropriations committees,**
 25 **the 4 members of the legislature who serve as nonvoting members of**
 26 **the board under section 5(5),** the governor, the clerk of the house
 27 of representatives, the secretary of the senate, and the senate and
 28 house fiscal agencies within 5 business days of the receipt of the
 29 modification request **and before entering into an amended written**

1 **agreement.** In addition to the copy of the request for modification,
 2 the notice provided under this subsection must also include the
 3 specific provisions to be modified and the rationale for
 4 considering the modification. Before the fund modifies an existing
 5 written agreement for a grant, loan, or other economic assistance
 6 under this program, the fund must give notice of the proposed
 7 amendments and publish them on the fund's internet website at least
 8 1 business day ~~prior to~~ **before** a public hearing on the proposed
 9 amendments. If the fund approves and modifies an existing written
 10 agreement under this subsection, the fund must provide a copy of
 11 that amended written agreement to ~~each member of the legislature,~~
 12 **the senate majority leader, the speaker of the house of**
 13 **representatives, the chairs of the senate and house of**
 14 **representatives appropriations committees, the 4 members of the**
 15 **legislature who serve as nonvoting members of the board under**
 16 **section 5(5),** the governor, the clerk of the house of
 17 representatives, the secretary of the senate, and the senate and
 18 house fiscal agencies within 1 business day of the modification.

19 ~~(9) In making an award for a mega-strategic site under this~~
 20 ~~program that does not have a specifically identified end user, the~~
 21 ~~fund, working in collaboration with the eligible applicant, shall~~
 22 ~~prepare a mega-strategic site investment strategy and spending plan~~
 23 ~~that details the sequence and cost of anticipated investments in~~
 24 ~~the selected mega-strategic site, the benchmarks for bringing the~~
 25 ~~mega-strategic site to a marketable condition, and the marketing~~
 26 ~~strategy for the mega-site. Each plan must have the objective of~~
 27 ~~establishing a certified mega-strategic site under a nationally~~
 28 ~~recognized third-party certification program.~~

29 **(6)** ~~(10)~~ The fund shall post on its website or post on the

1 website of the Michigan economic development corporation, not less
2 than every 3 months, the name of the eligible applicant or
3 applicants, the location of each site that received a grant, loan,
4 or other economic assistance under this program in that period, and
5 the amount of the grant, loan, or other economic assistance.

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

17 **(7) Subject to the approval of the fund, local and regional**
18 **economic development organizations may use funds for the**
19 **acquisition of real property or interests in real property.**

20 **(8) Notwithstanding anything contrary in this section, the**
21 **fund may enter into a written agreement with a land bank fast track**
22 **authority created under the land bank fast track act, 2003 PA 258,**
23 **MCL 124.751 to 124.774, as the fund determines necessary for the**
24 **purposes of implementing this section.**

25 **(9) ~~(12)~~The fund board shall not disburse money from the**
26 **program for a grant, loan, or other economic assistance to an**
27 **eligible applicant if that eligible applicant has not fully repaid**
28 **all money subject to clawback or required to be repaid under a**
29 **specific repayment provision as provided in any written agreement**

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

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

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

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

24 (c) The amount and type of each award.

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

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

29 (f) Money or other revenue or property returned to the

1 ~~strategic outreach and attraction reserve~~ **make it in Michigan fund**
 2 **created in section 4 of the Michigan trust fund act, 2000 PA 489,**
 3 **MCL 12.254, or the general** fund, including any clawbacks and
 4 repayments due to a breach of the written agreement.

5 (11) ~~(14)~~—If the fund fails to transmit the report as required
 6 in subsection ~~(13)~~ **(10)** on or before March 15, the fund board shall
 7 not disburse money for a grant, loan, or other economic assistance
 8 under this program until it transmits the report as required under
 9 subsection (13).

10 (12) ~~(15)~~—The legislature finds and declares that funding
 11 provided under this program is for a public purpose and serves the
 12 health, safety, and general welfare of the residents of this state.

13 (13) ~~(16)~~—As used in this section:

14 (a) "Eligible activities" means, with respect to a site that
 15 is the subject of an application under this program, 1 or more of
 16 the following:

17 (i) Land acquisition and assembly, **including land holding**
 18 **costs.**

19 (ii) Site preparation and improvement.

20 (iii) Infrastructure improvements that directly benefit the
 21 site, including, but not limited to, transportation infrastructure,
 22 water and wastewater infrastructure, and utilities necessary to
 23 service the site.

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

26 (v) Environmental remediation.

27 (vi) Architectural, engineering, surveying, and similar
 28 professional fees.

29 (vii) **Administrative fees for administrative costs incurred by**

1 the eligible applicant, and any applicable subrecipients of an
2 eligible applicant, relating to administering the funding provided
3 under this program, but not to exceed 5% of the amount of the
4 grant, loan, or other economic assistance awarded to the eligible
5 applicant under this program.

6 (b) "Eligible applicant" means an applicant that is 1 or more
7 of the following:

8 (i) A political subdivision of this state, including, but not
9 limited to, a county, city, village, township, charter township, or
10 instrumentality of a county, city, village, township, or charter
11 township.

12 (ii) A local economic development corporation or similar
13 entity.

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

18 ~~(iv) In the case of an application for a site for which a~~
19 ~~specific person has been identified as the end user, the person~~ **The**
20 **entity** that is or will be the end user of that site.

21 (c) "End user" means the ~~person,~~ **entity**, either directly or
22 through an affiliate, that will establish and operate the
23 manufacturing or other commercial enterprise that constitutes the
24 end use of the improved site.

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

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

1 (f) "Qualified job" means a **permanent, full-time** job performed
2 by an individual who is a resident of this state whose Michigan
3 income taxes are withheld by an employer, or an employee leasing
4 company or professional employer organization on behalf of the
5 employer, or by an individual who is not a resident of this state
6 and is employed by a business at a project location that is located
7 in this state, as determined and verified by the fund.

8 (g) "Strategic site" means a site, whether publicly or
9 privately owned, that is, or subsequent to a proposed acquisition
10 will be, used for manufacturing or other commercial use.

11 **Sec. 88u. (1) The fund shall create the Michigan 360 program.**
12 **The program shall be operated and implemented by the authorized**
13 **employees, officers, and agents of the fund, which may include**
14 **employees of the department of labor and economic opportunity. The**
15 **fund may expend money transferred from the make it in Michigan fund**
16 **created in section 4 of the Michigan trust fund act, 2000 PA 489,**
17 **MCL 12.254, or other money appropriated to the program to make**
18 **qualified investments under the program as described in this**
19 **section and section 88v. The amount of a qualified investment to be**
20 **paid to an eligible applicant under the program shall be reduced by**
21 **5%, which shall be retained by the fund for additional**
22 **administrative expenses under this section.**

23 (2) Subject to section 88v, the fund shall expend money
24 allocated to the Michigan 360 program only to provide qualified
25 investments to eligible applicants to support eligible activities
26 under this section related to projects under the strategic site
27 readiness program or the critical industry program. A qualified
28 investment under the Michigan 360 program must be made at the same
29 time as and in connection with an award under the strategic site

1 readiness program or the critical industry program. The amount of a
2 qualified investment under the Michigan 360 program must not be
3 less than 20% of the total project investment as that term is
4 defined in section 88v. The fund shall adopt an application,
5 approval, and compliance process for the program that is published
6 and available on the website of the fund or the Michigan economic
7 development corporation.

8 (3) The fund must consider and document all of the following
9 criteria before entering into a written agreement for a qualified
10 investment as provided under subsection (4):

11 (a) The potential economic impact of the project to the
12 community and to this state.

13 (b) The degree to which the proposed project is a priority for
14 the local unit of government in which the qualified investment will
15 be made.

16 (c) Whether the project will act as a catalyst for additional
17 economic growth in the community and in this state.

18 (d) Whether the eligible activities as defined for the
19 proposed project will invest in transportation or infrastructure
20 supports in the community.

21 (e) Whether the eligible activities as defined for the
22 proposed project will support workforce training and development
23 needs in the community.

24 (f) The extent to which the proposed eligible activities will
25 support the growth of 1 or more of the following in the community:

26 (i) Local downtowns.

27 (ii) Central business districts.

28 (iii) Small businesses.

29 (iv) Local business hubs.

1 (g) Whether the eligible activities as defined for the
2 proposed project will support the childcare needs of the community
3 required to support the local workforce.

4 (h) Whether the proposed eligible activities will provide
5 local housing to support growth in the community related to the
6 project.

7 (i) Whether the proposed eligible activities will reuse vacant
8 buildings or historic resources, or redevelop blighted property.

9 (j) Whether the eligible activities as defined for the
10 proposed project will support or enable progress toward the
11 following 4 core policy priorities for community benefit plans as
12 defined by guidelines issued under the Justice40 initiative:

13 (i) Engaging with local stakeholders, including, but not
14 limited to, the governing bodies of communities and labor unions.

15 (ii) Investing in this state's workforce.

16 (iii) Advancing diversity, equity, inclusion, and accessibility.

17 (iv) Benefiting disadvantaged communities under the Justice40
18 initiative.

19 (k) The extent that the proposed eligible activities will
20 attempt to coordinate with already existing resources and programs
21 within this state, including, but not limited to, all of the
22 following:

23 (i) For hiring, employment, workforce development, and other
24 similar needs, the Michigan works one-stop service center system
25 created under the Michigan works one-stop service center system
26 act, 2006 PA 491, MCL 408.111 to 408.135.

27 (ii) For community infrastructure investments to expand access
28 to, increase the affordability of, or otherwise improve high-speed
29 internet services, the Michigan high-speed internet office created

1 by Executive Directive No. 2021-2.

2 (iii) For community housing needs and planning, implementation,
3 and other activities in connection with those needs, the Michigan
4 state housing development authority created in section 21 of the
5 state housing development authority act of 1966, 1966 PA 346, MCL
6 125.1421.

7 (iv) For land acquisition and other land needs for community
8 investment and planning, implementation, and other activities in
9 connection with these land needs, the state land bank authority and
10 local land bank authorities. As used in this subparagraph:

11 (A) "Local land bank authorities" means local authorities and
12 county authorities as those terms are defined in section 3 of the
13 land bank fast track act, 2003 PA 258, MCL 124.753.

14 (B) "State land bank authority" means the state authority as
15 that term is defined in section 3 of the land bank fast track act,
16 2003 PA 258, MCL 124.753.

17 (v) For transportation needs and planning, implementation, and
18 other activities in connection with those needs, the state
19 transportation department.

20 (4) If the fund determines, after considering the criteria in
21 subsection (3) and determining that the project and related
22 eligible activities reasonably satisfy the applicable criteria, to
23 award a qualified investment to an eligible applicant under this
24 program, the fund shall enter into a written agreement with the
25 eligible applicant that includes the terms and conditions related
26 to the qualified investment as determined and documented by the
27 fund. In determining whether a project and related eligible
28 activities reasonably satisfy the criteria in subsection (3), the
29 fund shall make a holistic evaluation of the applicable criteria in

1 subsection (3) to determine if the goals of the program, as
2 described in this section and section 88v, will be met. A project
3 and related eligible activities are not required to satisfy all of
4 the criteria for the fund to determine that the project and related
5 eligible activities reasonably satisfy the criteria in subsection
6 (3). Before entering into the written agreement, the fund must
7 submit a copy of the negotiated terms to the senate majority
8 leader, the speaker of the house of representatives, the chairs of
9 the senate and house of representatives appropriations committees,
10 and the 4 members of the legislature who serve as nonvoting members
11 of the board under section 5(5) along with the fund's written
12 analysis of the criteria under subsection (3) and section 88v. The
13 written agreement must include all of the following provisions:

14 (a) The amount of the total qualified investment to be
15 awarded.

16 (b) Specific dates and benchmarks for the eligible applicant
17 to receive the qualified investment, including conditions for the
18 disbursement of money in installments.

19 (c) Specific terms relating to measurable outcomes, proration
20 of payments for partial performance, and clawback and specific
21 repayment provisions for noncompliance with the agreement.

22 (d) An audit provision that requires the fund to verify that
23 the benchmarks required for the project have been satisfied.

24 (e) A provision that the qualified applicant will provide the
25 data described in the written agreement necessary for the fund to
26 report to the legislature as required under this program.

27 (5) If the fund receives a request to modify an existing
28 written agreement for a qualified investment under this program,
29 the fund must provide a copy of that requested modification to the

1 senate majority leader, the speaker of the house of
2 representatives, the chairs of the senate and house of
3 representatives appropriations committees, the 4 members of the
4 legislature who serve as nonvoting members of the board under
5 section 5(5), the governor, the clerk of the house of
6 representatives, the secretary of the senate, and the senate and
7 house fiscal agencies within 5 business days of the receipt of the
8 modification request and before entering into an amended written
9 agreement. In addition to the copy of the request for modification,
10 the notice provided under this subsection must also include the
11 specific provisions to be modified and the rationale for
12 considering the modification. Before the fund modifies an existing
13 written agreement for a qualified investment, the fund must give
14 notice of the proposed amendments and publish them on the fund's
15 internet website at least 1 business day before a public hearing on
16 the proposed amendments. If the fund approves and modifies an
17 existing written agreement under this subsection, the fund must
18 provide a copy of that amended written agreement to the senate
19 majority leader, the speaker of the house of representatives, the
20 chairs of the senate and house of representatives appropriations
21 committees, the 4 members of the legislature who serve as nonvoting
22 members of the board under section 5(5), the governor, the clerk of
23 the house of representatives, the secretary of the senate, and the
24 senate and house fiscal agencies within 1 business day of the
25 modification.

26 (6) The fund shall not disburse money for a qualified
27 investment under this section to an eligible applicant if that
28 eligible applicant has not fully repaid all money subject to
29 clawback or required to be repaid under any agreement with the fund

1 or the Michigan economic development corporation, if that eligible
2 applicant is in default on any grant, loan, investment, or other
3 economic assistance made or guaranteed by the fund or the Michigan
4 economic development corporation. All money paid to the fund
5 pursuant to a clawback or specific provision for a qualified
6 investment under this section must be deposited in the general
7 fund. Any money that is allocated to the program that remains
8 unexpended, unallocated, or unobligated at the end of the fiscal
9 year reverts back to the make it in Michigan fund created in
10 section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254.

11 (7) The legislature finds and declares that funding provided
12 under this program is for the public purpose and serves the health,
13 safety, and general welfare of the residents of this state.

14 (8) Not later than March 15 of each year, the fund shall
15 transmit to each member of the legislature, the governor, the clerk
16 of the house of representatives, the secretary of the senate, and
17 the senate and house fiscal agencies a report on the activities of
18 the Michigan 360 program. The report must include all of the
19 following:

20 (a) A list of eligible applicants that received a qualified
21 investment.

22 (b) For each eligible investment listed under subdivision (a),
23 all of the following information:

24 (i) A description of the associated project.

25 (ii) The amount and type of qualified investment, including a
26 description of installments that have been paid and a description
27 of future projected installments.

28 (iii) A description of community engagement in connection with
29 the project.

1 (iv) The status of the progress of eligible activities.

2 (v) A description of all benchmarks that the eligible
3 activities must meet under the written agreement and the status of
4 those benchmarks.

5 (9) As used in this section:

6 (a) "Community" means the community in which the project is
7 located and the surrounding communities.

8 (b) "Community development financial institution" means that
9 term as defined in 12 USC 4702.

10 (c) "Critical industry program" means the critical industry
11 program created under section 88s.

12 (d) "Eligible activities" means, with respect to a proposed
13 project that is considered under this program, expenses that arise
14 out of or are related to any of the following:

15 (i) Main street and placemaking activities and activities to
16 create walkable communities.

17 (ii) Support for the growth of small and micro businesses,
18 business hubs, and technology collaborative spaces in this state.

19 (iii) Workforce-related activities that will improve
20 productivity, competitiveness, and inclusiveness of the workforce
21 to meet the needs of employers or potential employers, including,
22 but not limited to, tailored educational, career advancement, and
23 workforce retraining programming, curriculum development, and
24 access to training, at no cost or low cost to the community and
25 employers.

26 (iv) Expansion or development of child care facilities and
27 personnel needed to support identified child care-related barriers
28 to workforce participation at no cost or low cost to the community
29 and employees.

1 (v) Expansion or development of community services, including
 2 mental or behavioral health services and educational and youth
 3 programming at no cost or low cost to the community and employees.

4 (vi) Hard infrastructure improvements in the community, but not
 5 at the project site, including, but not limited to, all of the
 6 following:

7 (A) Water infrastructure.

8 (B) Transportation.

9 (C) Roads, bridges, rail-grade separation, and other community
 10 and regional connectors.

11 (D) Weatherization infrastructure.

12 (E) Electric vehicle charging infrastructure.

13 (vii) Local housing market analysis, and any other analysis, to
 14 determine current and future housing and community needs and
 15 assistance as a result of the project.

16 (viii) Expansion or development of housing to meet housing needs
 17 identified by the local housing market analysis. In alignment with
 18 the local housing market analysis, housing investments must
 19 prioritize housing that is less than 60% of the regional median
 20 household income.

21 (ix) Expansion or development of community resources,
 22 including, but not limited to, broadband access, clean energy,
 23 energy efficiency tools, and green space preservation.

24 (x) Administrative fees for administrative costs incurred by
 25 the eligible applicant, and any applicable subrecipients of an
 26 eligible applicant, relating to administering the funding provided
 27 under this program, but not to exceed 5% of the qualified
 28 investment.

29 (e) "Eligible applicant" means an applicant that is 1 more of

1 the following:

2 (i) A political subdivision of this state, including, but not
3 limited to, a county, city, village, township, charter township, or
4 instrumentality of a county, city, village, township, or charter
5 township.

6 (ii) An educational institution within this state. As used in
7 this subparagraph, "educational institution" means a college,
8 university, community college, or junior college described in
9 section 4, 5, or 6 of article VIII of the state constitution of
10 1963 or established under section 7 of article VIII of the state
11 constitution of 1963.

12 (iii) A nonprofit corporation or community advocacy group.

13 (iv) A community development financial institution or a
14 coalition of community development financial institutions that has
15 previously provided services within this state.

16 (v) A local professional or technical service provider.

17 (vi) A local economic development corporation.

18 (vii) A land bank fast track authority. As used in this
19 subparagraph, "land bank fast track authority" means any of the
20 following:

21 (A) A local authority as that term is defined in section 3 of
22 the land bank fast track act, 2003 PA 258, MCL 124.753.

23 (B) A county authority as that term is defined in section 3 of
24 the land bank fast track act, 2003 PA 258, MCL 124.753.

25 (C) The state authority as that term is defined in section 3
26 of the land bank fast track act, 2003 PA 258, MCL 124.753.

27 (f) "Justice40 initiative" means the Justice40 initiative
28 described in federal Executive Order No. 14008, 86 Fed Reg 7619
29 (January 27, 2021).

1 (g) "Michigan strategic site readiness program" means the
2 Michigan strategic site readiness program created under section
3 88t.

4 (h) "Michigan 360 program" or "program" means the Michigan 360
5 program created under subsection (1).

6 (i) "Project" means the project that received an award under
7 the critical industry program or the Michigan strategic site
8 readiness program, or both, to which the qualified investment or
9 proposed qualified investment relates.

10 (j) "Qualified investment" means a grant, loan, or other
11 community economic and development assistance for a project subject
12 to a written agreement with an eligible applicant to support
13 eligible activities under this program. A qualified investment must
14 be for eligible activities related to an award under the critical
15 industry program or the Michigan strategic site readiness program.

16 Sec. 88v. (1) In determining whether to provide economic
17 assistance for a project under the critical industry program, the
18 Michigan strategic site readiness program, or the Michigan 360
19 program, the fund must determine how economic assistance under all
20 of the make it in Michigan fund programs may be combined into an
21 offer package to best achieve both of the following goals:

22 (a) Ensure that traditional economic development tools are
23 packaged with targeted investments in communities, housing,
24 workforce development, education, and wraparound services.

25 (b) Ensure that economic assistance provided under the make it
26 in Michigan fund programs will benefit communities and residents in
27 this state even if a company's commitment fails to materialize, a
28 business decision changes, or a company falls short of its stated
29 goals.

1 (2) In making the determination under subsection (1), the fund
2 shall do both of the following:

3 (a) In consultation with the eligible company, identify the
4 site in this state that is the best location for the project both
5 for the success of the business and the impact to the economy and
6 growth of the community.

7 (b) Engage with the governing body of the municipality where
8 the site identified in subdivision (a) is located to
9 collaboratively build an offer package, including, but not limited
10 to, identifying Michigan 360 program investments that align with
11 the project's needs and directly support the residents of the
12 community.

13 (3) The fund shall prioritize economic assistance under make
14 it in Michigan fund programs for projects that support the
15 following goals:

16 (a) The project, including any eligible activities under the
17 Michigan 360 program in connection with the project, will enable
18 progress toward this state's economic justice goals, including, but
19 not limited to, all of the following goals:

20 (i) Lifting families out of working poverty.

21 (ii) Having 60% of the residents of this state who are not less
22 than 25 years of age hold a postsecondary degree or certificate by
23 2030, either through direct or indirect workforce development or by
24 attracting new residents who hold postsecondary degrees or
25 certificates.

26 (iii) Securing low- or no-cost child care for 150,000 families,
27 through employer-provided benefits or enrollment in a program such
28 as Michigan Tri-Share.

29 (iv) Becoming a top 10 state for small business growth, revenue

1 growth, and venture capital funding.

2 (v) Building 75,000 new or rehabilitated housing units,
3 through direct developer investment as a result of the project,
4 direct investment from the qualified business, or direct investment
5 from this state through the Michigan 360 program.

6 (vi) Raising the median household income for residents of this
7 state.

8 (vii) Increasing this state's population and workforce.

9 (b) The project, including any eligible activities under the
10 Michigan 360 program in connection with the project, will enable
11 progress toward this state's climate goals, including, but not
12 limited to, all of the following goals:

13 (i) Prioritizing disadvantaged communities under the Justice40
14 initiative described in federal Executive Order No. 14008, 86 Fed
15 Reg 7619 (January 27, 2021), and brownfield sites.

16 (ii) Building energy-efficient sites and utilizing clean
17 energy. A determination of whether the project will assist this
18 state in meeting the goal under this subparagraph must include an
19 analysis of the project's energy usage, building, land use, and
20 waste plans.

21 (iii) Building and increasing electric vehicle infrastructure or
22 public transit, or both.

23 (iv) Reducing carbon emissions and increasing recycling. A
24 determination of whether the project will assist this state in
25 meeting the goal under this subparagraph must include a thorough
26 analysis of the project's decarbonization and recycling strategies.

27 (v) Protecting this state's land and water. A determination of
28 whether the project will assist this state in meeting the goal
29 under this subparagraph must include a thorough analysis of the

1 environmental history of the applicant and, if different from the
2 applicant, the end user of the project.

3 (4) The fund shall not provide economic assistance under the
4 critical industry program or the Michigan strategic site readiness
5 program unless economic assistance is also provided under the
6 Michigan 360 program in an amount that is not less than 20% of the
7 total project investment.

8 (5) The fund must provide a quarterly report on the activities
9 of the make it in Michigan fund programs to the senate economic and
10 community development committee and the house of representatives
11 economic development and small business committee. The quarterly
12 report must include all of the following:

13 (a) A description of each project for which economic
14 assistance is provided under the make it in Michigan fund programs.

15 (b) For each project identified under subdivision (a), all of
16 the following:

17 (i) The fund's written analysis of the criteria under
18 subsection (3) and sections 88s, 88t, and 88u, as applicable.

19 (ii) A written explanation of how the offer package achieves
20 the goals described in subsection (1).

21 (iii) A progress update that includes all of the following:

22 (A) The amount of total project investment and the amount of
23 economic assistance provided under each make it in Michigan fund
24 program.

25 (B) A description of any benchmarks or other conditions that
26 must be met and the status of each benchmark or other condition.

27 (C) The amount of money disbursed to date for the project and
28 the date of each disbursement. If the disbursement is related to
29 the satisfaction of a benchmark or other condition, a description

1 of the benchmark or other condition.

2 (D) A description of future projected installments, including
3 the projected amount and any benchmarks that must be met to receive
4 the installment.

5 (E) Whether money has been paid to the fund pursuant to a
6 clawback or repayment provision, including a description of the
7 reason for clawback or repayment and the amount paid.

8 (6) The requirements of the amendatory act that added this
9 section do not apply to a project that was awarded economic
10 assistance or received an award offer under the critical industry
11 program or the Michigan strategic site readiness program before the
12 effective date of the amendatory act that added this section.

13 (7) As used in this section:

14 (a) "Community" means that term as defined in section 88u.

15 (b) "Critical industry program" means the critical industry
16 program created under section 88s.

17 (c) "Economic assistance" includes a qualified investment
18 under section 88s, a grant, loan, or other economic assistance
19 under section 88t, and a qualified investment under section 88u.

20 (d) "Eligible company" means a qualified business as that term
21 is defined in section 88s or an eligible applicant or end user as
22 those terms are defined in section 88t.

23 (e) "Make it in Michigan fund programs" means all of the
24 following programs:

25 (i) The critical industry program.

26 (ii) The Michigan strategic site readiness program.

27 (iii) The Michigan 360 program.

28 (f) "Michigan strategic site readiness program" means the
29 Michigan strategic site readiness program created under section

1 88t.

2 (g) "Michigan 360 program" means the Michigan 360 program
3 created under section 88u.

4 (h) "Municipality" means a city, village, or township.

5 (i) "Total project investment" means the total amount of
6 economic assistance provided under the critical industry program
7 and the Michigan strategic site readiness program for a project.

8 Enacting section 1. This amendatory act does not take effect
9 unless Senate Bill No. 562 of the 102nd Legislature is enacted into
10 law.