

SUBSTITUTE FOR
HOUSE BILL NO. 5865

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
(MCL 125.2001 to 125.2094) by adding chapter 8B.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER 8B

1
2 SEC. 89. (1) THE LEGISLATURE FINDS AND DECLARES THAT THE
3 ACTIVITIES AUTHORIZED UNDER THIS CHAPTER TO PROMOTE THIS STATE AND
4 TO ENCOURAGE DIVERSIFICATION OF THE ECONOMY AND THE CREATION OF
5 JOBS IN THIS STATE ARE A PUBLIC PURPOSE AND OF PARAMOUNT CONCERN IN
6 THE INTEREST OF THE HEALTH, SAFETY, AND GENERAL WELFARE OF THE
7 CITIZENS OF THIS STATE. IT IS THE INTENT OF THE LEGISLATURE THAT
8 THE ECONOMIC BENEFITS AND THE CREATION OF JOBS RESULTING FROM THIS
9 CHAPTER SHALL ACCRUE SUBSTANTIALLY WITHIN THIS STATE.

10 (2) ACTIVITIES AUTHORIZED UNDER THIS CHAPTER SHALL NOT BE

House Bill No. 5865 (H-2) as amended March 18, 2008

1 CONSIDERED A PROJECT, ECONOMIC DEVELOPMENT PROJECT, OR A PRODUCT
2 ASSISTED BY THE FUND FOR PURPOSES OF CHAPTER 1 OR 2.

3 SEC. 89A. THE BOARD SHALL ESTABLISH A MICHIGAN PROMOTION
4 PROGRAM TO PROMOTE TOURISM IN MICHIGAN AND PAY BUSINESS DEVELOPMENT
5 AND MARKETING COSTS TO PROMOTE BUSINESS DEVELOPMENT IN MICHIGAN.
6 UPON REQUEST FROM THE BOARD, THE STATE TREASURER SHALL TRANSFER
7 APPROPRIATED FUNDS FROM THE 21ST CENTURY JOBS TRUST FUND
8 ESTABLISHED UNDER SECTION 7 OF THE MICHIGAN TRUST FUND ACT, 2000 PA
9 489, MCL 12.257, IN THE AMOUNTS DESIGNATED BY THE BOARD AT THE TIME
10 AND AS NECESSARY TO FUND DISBURSEMENTS REQUIRED FOR THE MICHIGAN
11 PROMOTION PROGRAM. THE FUNDING PROVIDED UNDER THIS CHAPTER FOR
12 TOURISM PROMOTION IS INTENDED TO ENHANCE FUNDING BEYOND THAT
13 INCLUDED IN THE ANNUAL APPROPRIATION FOR TRAVEL MICHIGAN TO ATTRACT
14 ADDITIONAL TOURISM EXPENDITURES AND DEVELOPMENT OF THE TOURISM
15 INDUSTRY IN THIS STATE. [FUNDS APPROPRIATED FOR THE MICHIGAN PROMOTION
PROGRAM SHALL NOT BE USED TO FUND SALARIES OR BENEFITS OF ANY STATE
EMPLOYEES OR EMPLOYEES OF THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION.]
16 THE MICHIGAN PROMOTION PROGRAM SHALL
INCLUDE AGRI-TOURISM PROMOTION AND AT LEAST 1 WINTER TOURISM
17 CAMPAIGN EACH FISCAL YEAR OF THE MICHIGAN PROMOTION PROGRAM.

18 SEC. 89B. (1) FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008,
19 THERE IS APPROPRIATED AND TRANSFERRED FROM THE 21ST CENTURY JOBS
20 TRUST FUND TO THE FUND \$60,000,000.00 FOR CARRYING OUT THE PURPOSES
21 OF THIS CHAPTER.

22 (2) FROM THE FUNDS APPROPRIATED AND TRANSFERRED IN SUBSECTION
23 (1), THE FUND SHALL DISBURSE FUNDS AS FOLLOWS:

24 (A) FOR THE 2007-2008 FISCAL YEAR, \$1,000,000.00 TO THE
25 DEPARTMENT OF AGRICULTURE TO BE USED FOR THE EXPORT MARKET
26 DEVELOPMENT PROGRAM AND AGRICULTURAL PROMOTION AND DEVELOPMENT
27 PROGRAMS.

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1 (B) FOR THE 2008-2009 FISCAL YEAR, \$1,000,000.00 TO THE
2 DEPARTMENT OF AGRICULTURE TO BE USED FOR THE EXPORT MARKET
3 DEVELOPMENT PROGRAM AND AGRICULTURAL PROMOTION AND DEVELOPMENT
4 PROGRAMS.

5 (C) THE REMAINING FUNDS SHALL BE ALLOCATED AS FOLLOWS:

6 (i) NOT MORE THAN 2/3 TO PROMOTE TOURISM IN THIS STATE.

7 (ii) NOT MORE THAN 1/3 TO PROMOTE BUSINESS DEVELOPMENT IN THIS
8 STATE.

9 (3) THE APPROPRIATION AUTHORIZED IN SUBSECTION (1) FOR THE
10 MICHIGAN PROMOTION PROGRAM IS A WORK PROJECT APPROPRIATION AND ANY
11 UNENCUMBERED OR UNALLOTTED FUNDS ARE CARRIED FORWARD INTO THE
12 FOLLOWING FISCAL YEAR. THE FOLLOWING IS IN COMPLIANCE WITH SECTION
13 451A(1) OF THE MANAGEMENT AND BUDGET ACT, 1984 PA 431, MCL
14 18.1451A:

15 (A) THE PURPOSE OF THE PROJECT IS TO PROVIDE ECONOMIC BENEFITS
16 AND JOB CREATION WITHIN THIS STATE AND TO CREATE INCENTIVES FOR THE
17 DIVERSIFICATION OF THIS STATE'S ECONOMY THROUGH THE PROMOTION OF
18 TOURISM AND ENHANCING THIS STATE'S BUSINESS MARKETING AND
19 DEVELOPMENT ACTIVITIES.

20 (B) THE PROJECT WILL BE ACCOMPLISHED THROUGH THE USE OF
21 INTERAGENCY AGREEMENTS, STATE EMPLOYEES, AND CONTRACTS.

22 (C) THE TOTAL ESTIMATED COMPLETION COST OF THE PROJECT IS
23 \$60,000,000.00.

24 (D) THE EXPECTED COMPLETION DATE IS DECEMBER 31, 2010.

[(4) NO FUNDS APPROPRIATED IN THIS CHAPTER MAY BE USED FOR TOURISM
PROMOTION OR BUSINESS DEVELOPMENT PROMOTION IF THE PROMOTION INCLUDES THE
IMAGE OF A CANDIDATE FOR STATE OR FEDERAL ELECTIVE OFFICE AND THAT
PROMOTION IS TARGETED TO A MEDIA MARKET IN THIS STATE.]