



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 267 (Substitute S-1 as reported)
Sponsor: Senator Erika Geiss
Committee: Economic and Community Development

CONTENT

The bill would enact a new law to do the following:

- Create the Michigan-African-Caribbean Trade Commission (Commission) within the Michigan Economic Development Corporation (MEDC).
- Prescribe the Commission's membership and duties, including promoting trade between Michigan, Africa, and the Caribbean.
- Create the Michigan-African-Caribbean Trade Commission Fund (Fund).

BRIEF RATIONALE

According to the United Nation's Economic Commission for Africa, the African continent holds approximately 30% of the world's mineral reserves, including cobalt, lithium, and nickel reserves. In addition to minerals, the continent holds other natural resource reserves that could benefit trade partners. Despite this, the Federal African Growth and Opportunity Act (AGOA), which provided eligible countries duty-free access to the U.S. market, expired on September 30, 2025. Some believe that Michigan could particularly benefit from trade with the continent, as many of its mineral and other natural resources could benefit the State's manufacturing and technology sectors. Accordingly, it has been suggested that the State fill the gap created by the AGOA's lapse and create the Commission to strengthen economic ties between the State and Africa.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

The bill would have a fiscal impact on the MEDC and no fiscal impact on local units of government. The Commission would need staff and administrative support to operate. Commissions can cost between \$150,000 and \$500,000 to operate depending on the staffing, transportation, and reporting requirements. The Commission could be supported with current appropriation, additional appropriations, or with funds deposited in the Fund. It is unknown whether there would be any ongoing revenue to the Fund to support the administrative costs of the Commission.

The bill would not have a significant fiscal impact on the Department of Treasury. Existing appropriations would be sufficient to establish and direct the investment of the Fund. If the average daily balance of the Fund were to regularly exceed \$1.0 million, minor administrative costs could be incurred. This would depend on the total amount appropriated to the Fund. The bill would not appropriate any funds.

Date Completed: 11-24-25

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