

MICHIGAN STRATEGIC FUND ACT (EXCERPT)
Act 270 of 1984
Chapter 8

125.2081 “Economic development fund” defined.

Sec. 81.

As used in this chapter, "economic development fund" means that fund to which the fund succeeded in ownership pursuant to section 22.

History: 1984, Act 270, Eff. Mar. 29, 1985

Compiler's Notes: For transfer of the Michigan strategic fund from department of treasury to department of talent and economic development, and transfer of powers and duties of board of directors of Michigan strategic fund to new board of directors, see E.R.O. No. 2014-6, compiled at MCL 125.1995.

Popular Name: Strategic Fund

125.2082 Center for product development; establishment and operation.

Sec. 82.

The fund shall establish and operate a center for product development.

History: 1984, Act 270, Eff. Mar. 29, 1985

Compiler's Notes: For transfer of the Michigan strategic fund from department of treasury to department of talent and economic development, and transfer of powers and duties of board of directors of Michigan strategic fund to new board of directors, see E.R.O. No. 2014-6, compiled at MCL 125.1995.

Popular Name: Strategic Fund

125.2083 Product development program account; payments into account; transfer or deposit of money.

Sec. 83.

(1) The center for product development shall be funded by an account, which shall be established and managed by the fund, to be known as the product development program account.

(2) The fund shall pay into the account any money appropriated or otherwise provided by this state for the purposes of the center for product development; any money determined by the fund to be paid into the account from the economic development fund; any money which the fund receives in return for investments made through the center for product development; and any other money made available to the fund for the purposes of the center from any other source, public or private.

(3) Money in the product development program account may be transferred into any other account established by the fund unless the fund is otherwise obligated to retain the money in the product development program account or except if the money was appropriated by this state for the purposes of the center or represents interest earned from these appropriations while on deposit in the account. The fund may deposit money earned by the fund from royalties, rights, or other benefits pursuant to section 84 or 86a in any account established by the fund.

History: 1984, Act 270, Eff. Mar. 29, 1985 ;-- Am. 1987, Act 278, Imd. Eff. Jan. 6, 1988

Popular Name: Strategic Fund

125.2084 Product development program account; utilization of money; purpose; terms and conditions of financial aid; condition to financial aid.

Sec. 84.

(1) The fund may utilize the money held in the product development program account to provide financial aid to applicants when financial aid would not otherwise be available on reasonable terms from other sources and shall enter into venture agreements whereby the fund will obtain royalties, rights, or other benefits from or in a targeted invention, product, device, or technique; a related or derivative invention, product, device, or technique; or other applicant revenues, which royalties, rights, and other benefits are obtained in exchange for the granting of financial aid to the applicant.

(2) Financial aid provided from the product development program account shall be for the purpose of financing any new process, technique, product, or device which is or may be exploitable commercially, which has advanced beyond the theoretical state, and which is capable of being or has been reduced to practice without regard to whether a patent has or could be granted.

(3) Financial aid provided and venture agreements made by the fund may be on the terms and conditions the fund, in its sole discretion, determines to be reasonable, appropriate, and consistent with the purposes and objectives of the fund and this chapter, including the requirements of section 12.

(4) Financial aid provided and venture agreements made pursuant to this section shall be made on the condition that the benefits of increasing employment and tax revenues remain in the state.

History: 1984, Act 270, Eff. Mar. 29, 1985 ;-- Am. 1987, Act 278, Imd. Eff. Jan. 6, 1988

Popular Name: Strategic Fund

125.2085 Recipients of financial aid.

Sec. 85.

Financial aid provided from the product development program account may be made to any individual, partnership, profit or nonprofit corporation, college or university, or joint venture carrying on business or proposing to carry on business within this state.

History: 1984, Act 270, Eff. Mar. 29, 1985

Popular Name: Strategic Fund

125.2086 Amount of financial aid and terms of venture agreement; evaluation and examination.

Sec. 86.

In determining the amount of financial aid to be awarded and the terms of the venture agreement, the fund shall evaluate, among other things, the necessity of fund participation in the enterprise, the diversity of products and types of business concerns for which the fund has provided financial aid under this chapter, the availability of funding sources on reasonable terms in the traditional capital markets, the management structure and expertise of the enterprise, the state of development of the proposed product, process, technique, or device and the likelihood of its commercial feasibility, and the report and recommendations of the advisory panel created pursuant to section 87. The fund shall also examine, in determining the manner and extent of its participation, the extent to which the enterprise has a cooperative arrangement with a college or university in this state.

History: 1984, Act 270, Eff. Mar. 29, 1985

Popular Name: Strategic Fund

125.2086a Financial aid to nonprofit corporation; powers and duties of corporation; fund as party to venture agreement; provisions of venture agreement.

Sec. 86a.

(1) The fund may provide financial aid to a nonprofit corporation which has as its only purposes the same purposes as this chapter. Except as provided in subsection (2), a corporation receiving financial aid under this section has the same powers and duties provided in this chapter.

(2) The fund shall be made a party to a venture agreement made by a corporation receiving financial aid under this section. The venture agreement shall provide that the fund obtain royalties, rights, or other benefits from or in a targeted invention, product, device, or technique; a related or derivative invention, product, device, or technique; or other applicant revenues, which royalties, rights, or other benefits are obtained by the corporation in exchange for the granting of financial aid to an applicant.

History: 1984, Act 270, Eff. Mar. 29, 1985 ;-- Am. 1987, Act 278, Imd. Eff. Jan. 6, 1988

Popular Name: Strategic Fund

125.2087 Advisory panel; purpose; membership; report; recommendation.

Sec. 87.

An advisory panel shall be convened by the fund to consider proposals for venture agreements and financial aid from the product development program account. The panel shall be composed of 5 members appointed by the fund having skills and experience in providing capital to innovative business, in starting and operating such businesses, or in providing professional and technical services to or otherwise working with such businesses. The advisory panel shall report to the fund its analysis and recommendations on the proposal for financial aid and a venture agreement.

History: 1984, Act 270, Eff. Mar. 29, 1985

Popular Name: Strategic Fund