

MICHIGAN STRATEGIC FUND ACT (EXCERPT)
Act 270 of 1984

125.2090m Rural jobs and capital investment fund; application; qualifications; duties.

Sec. 90m.

(1) Beginning 90 days after the effective date of the amendatory act that added this chapter, and in each subsequent year through 2029, the fund shall accept applications for approval as a rural jobs and capital investment fund. The application shall include all of the following:

- (a) The total investment authority sought by the applicant.
- (b) A copy of the applicant's license showing that the entity or its affiliate is a rural business investment company under 7 USC 2009cc or a small business investment company under 15 USC 68.
- (c) Evidence that as of the date of the application, the entity or its affiliates have invested at least \$100,000,000.00 in nonpublic companies located in counties throughout the United States with a population less than 50,000.
- (d) Evidence that as of the date of the application, the entity or its affiliates have received equity investments from investors who are not affiliates of the applicant in an amount equal to least at \$100,000,000.00.
- (e) A nonrefundable application fee of \$10,000.00.

(2) The fund shall make application determinations within 60 business days from the receipt of an administratively complete application as determined by the fund, in the order in which the applications are received. The fund shall consider applications received on the same day to have been received simultaneously. The fund shall not approve more than \$30,000,000.00 in investment authority in a calendar year, through 2029. If requests for investment authority received simultaneously would result in the limitation provided in this subsection being exceeded, the fund shall proportionally allot the investment authority and grants, loans, or other types of economic assistance among the approved applications. Upon approval of an application, the fund and the rural jobs and capital investment fund shall execute a written agreement setting forth the terms and conditions of the grants, loans, or other types of economic assistance.

(3) The fund may deny an application submitted under this section only for the following reasons:

- (a) The applicant does not satisfy all the criteria described in this section.
- (b) The fund has already approved the maximum amount of investment authority allowed under this section.

(4) If the fund denies an application, the applicant may provide additional information to the fund within 5 days of the notice of denial. The fund shall review and reconsider the application and additional information within 30 days. A reconsidered application shall retain the original date of receipt provided under this section for purposes of priority.

(5) A rural jobs and capital investment fund shall do all of the following:

- (a) Within 60 days after receiving the approval issued under this section, collect private contributions equal to 50% of the rural jobs and capital investment fund's investment authority.
- (b) Within 65 days after receiving the approval issued under this section, send to the fund documentation sufficient to prove that the amounts described in subdivision (a) have been collected.

(6) If the rural jobs and capital investment fund fails to fully comply with subsection (5), the rural jobs and capital investment fund's approval is forfeited, and the fund shall first award the corresponding investment authority to existing applicants who received investment authority lower than the amount requested under this section and then to new applicants.

(7) The fund shall disperse the grants, loans, or other types of economic assistance to the rural jobs and capital investment fund upon receipt and approval of the documentation described in subsection (5)(b) within 21 business days.

History: Add. 2018, Act 423, Imd. Eff. Dec. 20, 2018

Popular Name: Strategic Fund