

SENATE BILL No. 1654

December 2, 2008, Introduced by Senator VAN WOERKOM and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," by amending section 7 (MCL 125.2007), as amended by 2005 PA 225.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. The fund shall have the powers and duties provided in
2 this act ~~7~~**AND** the powers delegated by other laws or executive
3 orders, including, but not limited to, the power to:

4 (a) Sue and be sued; to have a seal and alter the ~~same~~**SEAL** at
5 pleasure; to have perpetual succession; to make, execute, and
6 deliver contracts, conveyances, and other instruments necessary or
7 convenient to the exercise of its powers; and to make and amend
8 bylaws.

1 (b) Solicit and accept gifts, grants, loans, and other aids
2 from any person or the federal, state, or a local government or any
3 agency of the federal, state, or a local government, or to
4 participate in any other way in any federal, state, or local
5 government program.

6 (c) Make grants, loans, and investments; to guarantee and
7 insure loans, leases, bonds, notes, or other indebtedness, whether
8 public or private; and to issue letters of credit.

9 (d) Construct; acquire by gift, purchase, installment
10 purchase, or lease; and reconstruct, improve, repair, or equip a
11 project or any part of a project.

12 (e) Borrow money and issue bonds and notes to finance part or
13 all of the project costs of a project, or of a loan under
14 subdivision (r) for an export transaction, and to secure those
15 bonds and notes by mortgage, assignment, or pledge of any of its
16 money, revenues, income, and properties. The authority provided by
17 this subdivision includes, but is not limited to, issuing bonds and
18 notes to acquire and install machinery, equipment, furnishings, and
19 other personal property, notwithstanding that the fund does not own
20 or propose to own or finance the building or land in or near to
21 which the machinery, equipment, furnishings, and other personal
22 property is or ~~is to~~ **WILL** be located.

23 (f) Acquire or contract to acquire from any person,
24 municipality, the federal or state government, or any agency of the
25 foregoing, or otherwise, leaseholds, real or personal property or
26 any interest in real or personal property; to own, hold, clear,
27 improve, and rehabilitate and to sell, assign, exchange, transfer,

1 convey, lease, mortgage, or otherwise dispose of or encumber
2 leaseholds, real or personal property or any interest in real or
3 personal property, as is convenient for the accomplishment of the
4 purposes of this act and of the fund.

5 (g) Procure insurance against any loss in connection with the
6 fund's property, assets, or activities.

7 (h) Invest any money of the fund at the fund's discretion, in
8 any obligations determined proper by the fund, and name and use
9 depositories for its money.

10 (i) Engage personnel as is necessary and engage the services
11 of private consultants, managers, counsel, auditors, engineers, and
12 scientists for rendering professional management and technical
13 assistance and advice, payable out of any money of the fund legally
14 available for this purpose.

15 (j) Charge, impose, and collect fees and charges in connection
16 with any transaction and provide for reasonable penalties for
17 delinquent payment of fees or charges.

18 (k) Indemnify and procure insurance indemnifying any members
19 of the board from personal loss or accountability from liability
20 asserted by a person on the bonds or notes of the fund or from any
21 personal liability or accountability by reason of the issuance of
22 the bonds, notes, insurance, or guarantees; by reason of
23 acquisition, construction, ownership, or operation of a project; or
24 by reason of any other action taken or the failure to act by the
25 fund.

26 (l) Enter into a lease for the use or sale of a project. The
27 lease may provide for options to purchase or renew.

1 (m) Mortgage or create security interests in a project or any
2 part of a project, or in a lease or loan, or in the rents,
3 revenues, or sums to be paid thereunder, in favor of the holders of
4 the bonds or notes issued by the fund.

5 (n) Convey or release a project or any part of a project to a
6 lessee, purchaser, or borrower under any agreement after provision
7 has been made for the retirement in full of the bonds or notes
8 issued for that project under terms and conditions provided in the
9 agreement or as may be agreed with the holders of the bonds or
10 notes, at any time where the obligation of the lessee, purchaser,
11 or borrower to make the payments prescribed shall remain fixed as
12 provided in the agreement notwithstanding the conveyance or
13 release, or as may otherwise be agreed with the holders of the
14 bonds or notes.

15 (o) Make loans, participate in the making of loans, undertake
16 commitments to make loans and mortgages, buy and sell loans and
17 mortgages at public or private sale, rewrite loans and mortgages,
18 discharge loans and mortgages, foreclose on a mortgage, commence an
19 action to protect or enforce a right conferred upon the fund by a
20 law, mortgage, loan, contract, or other agreement, bid for and
21 purchase property which was the subject of the mortgage at a
22 foreclosure or other sale, acquire or take possession of the
23 property and in that event complete, administer, pay the principal
24 and interest on obligations incurred in connection with that
25 property, and dispose of and otherwise deal with the property, in a
26 manner as may be necessary or desirable to protect the interests of
27 the fund.

1 (p) Certify, for the purpose of determining eligible
2 investments for the basis of a single business tax credit, minority
3 venture capital companies, as defined by law.

4 (q) Except as otherwise provided in this subdivision, to
5 create and operate centers, accounts, and funds as required or
6 permitted by law for the use and disbursement of assets of the
7 fund. The powers granted under this subdivision do not apply to
8 chapter 8A.

9 (r) To make loans to a financial institution to facilitate
10 financing of all or part of an export related transaction
11 including, but not limited to, pre-export working capital financing
12 and postexport receivable financing.

13 **(S) UPON REQUEST OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY,**
14 **TO MAKE A DETERMINATION AS TO WHETHER AN ACTIVITY RESULTING IN A**
15 **DISCHARGE THAT LOWERS WATER QUALITY IN A WATERWAY IS NECESSARY TO**
16 **SUPPORT IMPORTANT SOCIAL AND ECONOMIC DEVELOPMENT IN THE AREA OF**
17 **THE ACTIVITY.**

18 **(T)** ~~(s)~~—Do all other things necessary or convenient to achieve
19 the objectives and purposes of the fund, this act, or other laws
20 that relate to the purposes and responsibilities of the fund.