

**SUBSTITUTE FOR
SENATE BILL NO. 579**

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending sections 9, 90g, and 90h (MCL 125.2009, 125.2090g, and
125.2090h), section 9 as amended by 2021 PA 136 and sections 90g
and 90h as added by 2017 PA 109.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) The fund shall transmit to each member of the
2 legislature, the governor, the clerk of the house of
3 representatives, the secretary of the senate, and the senate and
4 house fiscal agencies annually a report of its activities. The
5 report ~~shall~~**must** be transmitted not later than April 10 of each
6 year for activities in the immediately preceding state fiscal year.
7 The report ~~shall~~**must** not include information exempt from



1 disclosure under section 5. The report ~~shall~~**must** include, but is
2 not limited to, all of the following for each program operated
3 under this act:

4 (a) A list of entities that received financial assistance.

5 (b) The type of project or product being financed.

6 (c) The amount and type of financial assistance.

7 (d) For each separate form of financial assistance, all of the
8 following:

9 (i) The number of new jobs committed or projected when the
10 financial assistance was applied for.

11 (ii) The number of retained jobs committed or projected when
12 the financial assistance was applied for.

13 (iii) The actual number of new jobs created that are not
14 temporary employees.

15 (iv) The actual number of retained jobs that are not temporary
16 employees.

17 (v) The average annual salary of the new jobs created that are
18 not temporary employees.

19 (vi) The average annual salary of the retained jobs that are
20 not temporary employees.

21 (e) The duration of the financial assistance.

22 (f) The amount of financial support other than state
23 resources.

24 (g) Money or other revenue or property returned to the fund,
25 including any repayments through a clawback provision in the
26 agreement.

27 (h) The status of all loans of the fund.

28 (i) A list of all entities that are in bankruptcy, ~~that of~~
29 **which** the fund has received actual notice, ~~of,~~ filed by a direct



1 recipient of an active single incentive of at least \$500,000.00. In
2 addition, the fund shall, within 120 days after the fund receives
3 notice, provide a report of the notice of bankruptcy on its website
4 and shall forward the report to each of the following:

5 (i) The senate majority leader and the senate minority leader.

6 (ii) The speaker of the house and the house minority leader.

7 (iii) The members of the house commerce and tourism committee.

8 (iv) The members of the house appropriations subcommittee on
9 general government.

10 (v) The members of the senate economic and small business
11 development committee.

12 (vi) The members of the senate appropriations subcommittee on
13 general government.

14 (j) A summary of the approximate administrative costs used to
15 administer the programs and activities authorized under this act.

16 (k) Any other information as required in this section.

17 (2) The auditor general or a certified public accountant
18 appointed by the auditor general annually shall conduct and remit
19 to the legislature an audit of the fund and, in the conduct of the
20 audit, shall have access to all records of the fund at any time,
21 whether or not confidential. Each audit required by this section
22 shall include a determination of whether the fund is likely to be
23 able to continue to meet its obligations, including a report on the
24 status of outstanding loans and agreements made by the fund.

25 (3) The fund shall also transmit the audit described in
26 subsection (2) to the chairperson and minority vice-chairperson of
27 the senate appropriations subcommittee on general government and
28 the house of representatives appropriations subcommittee on general
29 government. The fund shall make the report and audit available to



1 the public on the fund's website.

2 (4) The report described in subsection (1) must also contain
3 all of the following that are related to a 21st century investment
4 made by the fund board under chapter 8A:

5 (a) The amount of qualified venture capital fund investments,
6 qualified mezzanine fund investments, and qualified private equity
7 fund investments under management in this state, including year-to-
8 year growth.

9 (b) The value of loan enhancement program investments,
10 qualified private equity fund investments, qualified mezzanine fund
11 investments, and qualified venture capital investments in qualified
12 businesses, including year-to-year growth.

13 (c) A statement of the amount of money in each loan reserve
14 fund established under the small business capital access program
15 required under chapter 8A.

16 (5) The report described in subsection (1) must also include,
17 but is not limited to, all of the following for all actions under
18 section 88r:

19 (a) The total actual amount of qualified investment attracted
20 under section 88r as reported to the fund.

21 (b) The total actual number of new jobs created under section
22 88r as reported to the fund.

23 (c) The actual amount of the grant, loan, or other economic
24 assistance made under section 88r separately for each qualified
25 business verified by the fund.

26 (d) For each qualified business, whether it is a new business,
27 whether it is an expansion of an existing business, or whether it
28 relocated from outside of this state.

29 (e) An evaluation of the aggregate return on investment that



1 this state realizes on the actual qualified new jobs and actual
2 qualified investment made by qualified businesses.

3 (6) The report described in subsection (1) must also include,
4 but is not limited to, all of the following for all actions under
5 chapter 8B:

6 (a) For tourism promotion efforts, all of the following:

7 (i) An itemized list, by market, of how much was spent, types
8 of media purchased, and target of the tourism promotion campaign.

9 (ii) The return on investment analysis that utilizes existing
10 baseline data and compares results with prior outcome evaluations
11 funded by Travel Michigan.

12 (b) For business development efforts, all of the following:

13 (i) An itemized list, by market, of how much was spent, types
14 of media purchased, and target of the business promotion campaign.

15 (ii) A performance analysis that compares the program or
16 campaign objectives and outcome of the campaign or program.

17 (7) The report described in subsection (1) must also include,
18 but is not limited to, all of the following for all actions under
19 section 90d:

20 (a) The total actual amount of private investment attracted
21 under section 90d as reported to the fund.

22 (b) The actual amount of the community revitalization
23 incentives made under chapter 8C separately for each project.

24 (c) The total actual amount of square footage revitalized or
25 added for each project approved under section 90d as reported to
26 the fund. When reporting square footage, the person must report the
27 square footage by category, including, but not limited to,
28 commercial, residential, or retail.

29 (d) The aggregate increase in taxable value of all property



1 subject to a written agreement under chapter 8C when established
2 and recorded by the local units of government and as reported to
3 the fund.

4 (e) The total actual number of residential units revitalized
5 or added for each project approved under section 90d as reported to
6 the fund.

7 (f) Each project that received a community revitalization
8 incentive outside the fund program standards and guidelines and why
9 the variance was given.

10 (8) Beginning on and after January 1, 2012, on a monthly basis
11 the fund shall provide exact copies of all information regarding
12 all actions under chapter 8C that is provided to board members of
13 the fund for the purpose of monthly board meetings, subject to
14 confidentiality under section 5, to each of the following and post
15 that information on the fund's website:

16 (a) The chairperson and minority vice-chairperson of the house
17 commerce and tourism committee.

18 (b) The chairperson and minority vice-chairperson of the house
19 appropriations subcommittee on general government.

20 (c) The chairperson and minority vice-chairperson of the
21 senate economic and small business development committee.

22 (d) The chairperson and minority vice-chairperson of the
23 senate appropriations subcommittee on general government.

24 (9) The report described in subsection (1) must also include a
25 summary of the approximate administrative costs used to administer
26 the programs and activities authorized in the following sections:

27 (a) Section 88b.

28 (b) Section 88h.

29 (c) Section 90b.



1 (10) The report described in subsection (1) must also include,
2 but is not limited to, all of the following for all actions for
3 business incubators approved by the fund after January 14, 2015:

4 (a) The number of new jobs created and projected new job
5 growth by current clients of the business incubator.

6 (b) Amounts of other funds leveraged by current clients of the
7 business incubator.

8 (c) Increases in revenue for current clients of the business
9 incubator.

10 (11) The report described in subsection (1) must also include
11 the actual repayments received by the fund for failure to comply
12 with clawback provisions of the written agreement under all of the
13 following:

14 (a) Section 78.

15 (b) Section 88d.

16 (c) Section 88k.

17 (d) Section 88q.

18 (e) Section 88r.

19 (f) Section 90b.

20 (12) Beginning on July 1, 2015, the fund shall post on the
21 fund's website a list of each contract, agreement, or other written
22 loan or grant documentation for financial assistance under sections
23 88r and 90b that the fund entered into or modified in the
24 immediately preceding fiscal year.

25 (13) Beginning on July 1, 2015, the fund shall post and update
26 periodically all of the following on its website for all loans made
27 under sections 88r and 90b:

28 (a) A description of the project for which the loan was made.

29 (b) The total amount of the loan.



1 (c) Whether payments on the loan balance are current or
2 delinquent.

3 (d) The interest rate of the loan.

4 (14) Beginning July 1, 2015, the report described in
5 subsection (1) ~~shall~~**must** also contain all of the following for
6 each program that provides financial assistance under this act that
7 requires a site visit:

8 (a) A copy of the site visit guidelines for that program.

9 (b) The number of site visits conducted under that program.

10 (c) The chief compliance officer shall review and evaluate
11 compliance with the site visit guidelines.

12 (15) The fund shall post on its website and update
13 periodically all of the information described in subsection (14).

14 (16) The report described in subsection (1) must also include,
15 but is not limited to, all of the following for all written
16 agreements related to the ~~good jobs for~~**high-wage incentive for**
17 **regional employment in (H.I.R.E.)** Michigan program created under
18 chapter 8D:

19 (a) The name of the authorized business.

20 (b) The number of certified new jobs required to be
21 maintained.

22 (c) The amount and duration of the withholding tax capture
23 revenues.

24 (17) The report described in subsection (1) must also include
25 the activities of the critical industry program described in
26 section 88s.

27 (18) The report described in subsection (1) must also include
28 the activities of the Michigan strategic site readiness program
29 described in section 88t.



1 (19) As used in this section, "financial assistance" means
 2 grants, loans, other economic assistance, and any other incentives
 3 or assistance under this act.

4 Sec. 90g. As used in this chapter:

5 (a) "Authorized business" means an eligible business that has
 6 met the requirements of this chapter and with which the fund has
 7 entered into a written agreement for withholding tax capture
 8 revenues ~~pursuant to~~ **under** this chapter and section 51f of the
 9 income tax act of 1967, 1967 PA 281, MCL 206.51f.

10 (b) "Casino" means a casino regulated by this state under the
 11 Michigan ~~gaming control and revenue act,~~ **Gaming Control and Revenue**
 12 **Act**, 1996 IL 1, MCL 432.201 to 432.226, a casino at which gaming is
 13 conducted under the Indian gaming regulatory act, Public Law 100-
 14 497, ~~102 Stat 2467,~~ or property associated or affiliated with the
 15 operation of either type of casino described in this subdivision,
 16 including, but not limited to, a parking lot, hotel, or motel.

17 (c) "Certified new job" means a **permanent**, full-time job
 18 created by an authorized business at a facility in this state that
 19 is in excess of the number of **permanent**, full-time jobs that
 20 authorized business maintained in this state ~~prior to~~ **before** the
 21 expansion or location and the number of **permanent**, full-time jobs
 22 that the authorized business acquired through a merger or
 23 acquisition that were located in this state ~~prior to~~ **before** the
 24 expansion or location, as determined by the fund. ~~Pursuant to a~~
 25 ~~written agreement between the authorized business, the fund, and~~
 26 ~~the primary supplier, certified new jobs for an authorized business~~
 27 ~~described in subdivision (d) (i) may, as determined by the fund,~~
 28 ~~include the number of those new jobs created by the primary~~
 29 ~~supplier of that authorized business as a result of the new or~~



1 ~~increased business activity with that authorized business as~~
 2 ~~determined by the fund.~~

3 (d) "Eligible business" means a business other than a retail
 4 establishment, professional sports stadium, casino, or that portion
 5 of an eligible business used exclusively for retail sales that
 6 proposes to create 1 or more of the following:

7 ~~(i) A minimum of 3,000 certified new jobs in this state with an~~
 8 ~~average annual wage that is equal to or greater than the prosperity~~
 9 ~~region average wage.~~

10 ~~(ii) A minimum of 500 certified new jobs in this state with an~~
 11 ~~average annual wage that is equal to or greater than the prosperity~~
 12 ~~region average wage.~~

13 (i) ~~(iii)~~ A minimum of 250 certified new jobs in this state with
 14 ~~an average~~ **a median** annual wage that is equal to ~~125%~~ **150%** or more
 15 of the prosperity region ~~average~~ **median** wage.

16 **(ii) A minimum of 50 certified new jobs in this state with a**
 17 **median annual wage that is equal to 175% or more of the prosperity**
 18 **region median wage.**

19 (e) "Facility" means a site or sites within this state in
 20 which an authorized business creates certified new jobs.

21 (f) "Full-time job" means a full-time job as determined by the
 22 fund performed by an individual whose income and social security
 23 taxes are withheld by 1 or more of the following:

24 (i) An authorized business.

25 (ii) An employee leasing company.

26 (iii) A professional employer organization on behalf of the
 27 authorized business.

28 (g) ~~"Good jobs for Michigan"~~ **"H.I.R.E. Michigan fund"** means the
 29 ~~good jobs for Michigan~~ **high-wage incentive for regional employment**



1 in (H.I.R.E.) Michigan fund created in section 90j.

2 (h) "Municipality" means that term as defined in section 4.

3 ~~(i) "Primary supplier" means an entity that creates not fewer~~
 4 ~~than 25 new jobs in this state and that provides both of the~~
 5 ~~following to an authorized business pursuant to a written agreement~~
 6 ~~under this chapter:~~

7 ~~(i) A minimum of \$5,000,000.00 in tangible personal property~~
 8 ~~annually as determined by the fund.~~

9 ~~(ii) A minimum of 10% of the tangible personal property used by~~
 10 ~~the authorized business annually as determined by the fund.~~

11 (i) ~~(j)~~ "Prosperity region" means each of the 10 prosperity
 12 regions identified by the department of technology, management, and
 13 budget on the effective date of the amendatory act that added this
 14 section. **August 25, 2017.**

15 (j) ~~(k)~~ "Prosperity region average **median** wage" means the
 16 ~~average~~ **median** annual wage for the prosperity region where the
 17 facility is located based on the most recent data made available by
 18 the Michigan bureau of labor market information and strategic
 19 initiatives.

20 (k) ~~(l)~~ "Withholding tax capture revenues" means the amount of
 21 income tax withheld under ~~part 3~~ **chapter 17** of the income tax act
 22 of 1967, 1967 PA 281, MCL 206.701 to ~~206.713,~~ **206.715**, each
 23 calendar year that is attributable to individuals employed within
 24 certified new jobs. The state treasurer shall develop methods and
 25 processes that are necessary for each authorized business to report
 26 the amount of withholding under ~~part 3~~ **chapter 17** of the income tax
 27 act of 1967, 1967 PA 281, MCL 206.701 to ~~206.713,~~ **206.715**, from
 28 individuals employed within certified new jobs.

29 (l) ~~(m)~~ "Written agreement" means a written agreement made



1 between the eligible business and the fund ~~pursuant to~~**under** this
2 chapter.

3 Sec. 90h. (1) The fund shall create and operate the ~~good jobs~~
4 ~~for~~**high-wage incentive for regional employment in (H.I.R.E.)**
5 Michigan program to authorize the transfer of the dedicated portion
6 of withholding tax capture revenues to authorized businesses that
7 provide certified new jobs in this state. The fund shall develop
8 and use a detailed application, approval, and compliance process
9 published and available on the fund's website.

10 (2) An eligible business may apply to the fund to enter into a
11 written agreement ~~which~~**that** authorizes the payment of withholding
12 tax capture revenues under this chapter.

13 (3) The fund may request information, in addition to that
14 contained in an application, ~~as may be~~**if** needed to permit the fund
15 to discharge its responsibilities under this chapter.

16 (4) After receipt of an application, the fund may enter into
17 an agreement with an eligible business for withholding tax capture
18 revenues under this chapter if the fund determines that all of the
19 following are met:

20 (a) The eligible business proposes to create and maintain the
21 minimum number of certified new jobs at a facility in this state
22 and to pay an ~~average~~ annual wage that is described in section
23 90g(d).

24 (b) In addition to the jobs specified in subdivision (a), the
25 eligible business, if already located within this state, agrees to
26 maintain a number of full-time jobs equal to or greater than the
27 number of full-time jobs it maintained in this state ~~prior to~~
28 **before** the expansion, as determined by the fund.

29 (c) The plans for the expansion or location are economically



1 sound.

2 (d) The expansion or location of the eligible business will
3 benefit the people of this state by increasing opportunities for
4 employment and by strengthening the economy of this state.

5 (e) The withholding tax capture revenues offered under this
6 chapter and paid from the ~~good jobs for H.I.R.E.~~ Michigan fund is
7 an incentive to expand or locate the eligible business in this
8 state and address ~~the competitive disadvantages with sites outside~~
9 ~~this state.~~ **a need for additional assistance for deal closing and**
10 **second stage company gap financing.**

11 (f) An industry-recognized regional economic model cost-
12 benefit analysis reveals that the payment of withholding tax
13 capture revenues under this chapter to an eligible business will
14 result in an overall positive fiscal impact to ~~the~~ **this** state.

15 (g) The eligible business will create the requisite number of
16 certified new jobs within not more than 5 years after entering into
17 the written agreement as determined by the fund.

18 (h) The eligible business will maintain the number of
19 certified new jobs throughout the duration of the period of time
20 that the authorized business receives withholding tax capture
21 revenues paid from the ~~good jobs for H.I.R.E.~~ Michigan fund.
22 However, if the authorized business fails to maintain the requisite
23 number of certified new jobs as provided in the written agreement,
24 the authorized business will forfeit the withholding tax capture
25 revenues for that calendar year.

26 (i) ~~That the~~ **The** local governing body of the municipality in
27 which the facility is located approves the expansion or new
28 location by resolution.

29 (j) **The eligible business provides detailed hiring and**



1 training plans, including any registered apprenticeships or
 2 certifications provided, and agrees to coordinate with local
 3 workforce development agencies, including local Michigan Works!
 4 agencies, to attract and train, if needed, a qualified workforce.
 5 As used in this subdivision, "local Michigan Works! agency" means a
 6 Michigan works agency as that term is defined in section 3 of the
 7 Michigan works one-stop service center system act, 2006 PA 491, MCL
 8 408.113.

9 (5) If the fund determines that the eligible business
 10 satisfies all of the requirements of subsection (4), subject to
 11 subsection (6), the fund shall determine the amount and duration of
 12 the withholding tax capture revenues to be authorized under this
 13 chapter and shall enter into a written agreement as provided in
 14 this section. The duration of the withholding tax capture revenues
 15 must not exceed ~~5 or 10 years, whichever is applicable based on the~~
 16 ~~average annual wage of the certified new jobs, as determined by the~~
 17 **fund under subsection (6)**, from the date the authorized business
 18 creates the certified new jobs as provided in the written
 19 agreement. Subject to subsection (6), in determining the maximum
 20 amount and maximum duration of the withholding tax capture revenues
 21 authorized, the fund shall consider the following factors, if
 22 applicable:

23 (a) The number of certified new jobs to be created.

24 (b) The degree to which the ~~average~~**median** annual wage of the
 25 certified new jobs exceeds the prosperity region ~~average~~**median**
 26 wage.

27 (c) Whether there is a disadvantage to the eligible business
 28 if it were to expand or locate in this state versus a site outside
 29 this state.



1 (d) The potential impact of the expansion or location on the
2 economy of this state.

3 (e) The estimated cost of the reimbursement of withholding tax
4 capture revenues under this chapter, the staff, financial, or
5 economic assistance provided by the municipality, or local economic
6 development corporation or similar entity, and the value of
7 assistance otherwise provided by this state.

8 (f) Whether the expansion or location will occur in this state
9 without the payment of withholding tax capture revenues offered
10 under this chapter.

11 (g) Whether the eligible business has made a written
12 commitment to fund some portion of costs for applicable training of
13 the individuals who will perform the full-time jobs that leads to a
14 professional or technical certification for these individuals.

15 ~~(h) That the eligible business will make a good faith effort~~
16 ~~to employ, if qualified, Michigan residents at the facility.~~ **Whether**
17 **the expansion or location of the eligible business will support or**
18 **enable progress toward the following goals:**

19 (i) **Community enhancement or engagement opportunities.**

20 (ii) **Investing in this state's labor and workforce.**

21 (iii) **Enacting a workforce plan that includes recruitment,**
22 **hiring, training strategies, and advancement strategies for**
23 **employees.**

24 (iv) **Advancing diversity, equity, inclusivity, and**
25 **accessibility in this state.**

26 (v) **Leveraging or utilizing clean energy technologies.**

27 (i) **Whether the eligible business will honor a decision by its**
28 **workers to form a union and follow the national labor relations**
29 **act, 29 USC 151 to 169.**



1 (6) The fund shall determine the duration and amount of the
 2 withholding tax capture revenues. In determining the duration of
 3 the withholding tax capture revenues, the fund shall provide a
 4 duration of up to ~~5 years for eligible businesses described in~~
 5 ~~section 90g(d) (ii) and up to a duration of 10 years, for eligible~~
 6 ~~businesses described in section 90g(d) (i) or (iii).~~ **as determined by**
 7 **the fund.** In determining the amount of the withholding tax capture
 8 revenue payments, the fund may approve a payment of ~~not more than~~
 9 ~~50% of the withholding tax capture revenues for an eligible~~
 10 ~~business described in section 90g(d) (ii) and a payment of up to 100%~~
 11 ~~of the withholding tax capture revenues. for an eligible business~~
 12 ~~described in section 90g(d) (i) or (iii).~~ The amount of withholding
 13 tax capture revenues certified to be paid to an authorized business
 14 shall be reduced by 5%, which shall be retained by the fund for
 15 additional administrative expenses under this chapter **and for the**
 16 **periodic evaluation of economic development incentives under this**
 17 **chapter in compliance with the economic development incentive**
 18 **evaluation act, 2018 PA 540, MCL 18.1751 to 18.1759,** as provided
 19 under section 90i.

20 (7) A written agreement between an eligible business and the
 21 fund must include, but ~~need-is~~ **is** not ~~be~~ limited to, all of the
 22 following:

23 (a) A description of the business expansion or location that
 24 is the subject of the written agreement.

25 (b) ~~Conditions upon~~ **Subject to subsections (10) and (11),**
 26 **conditions on** which the authorized business designation is made.

27 (c) A statement from the eligible business that the eligible
 28 business would not have added certified new jobs without the
 29 withholding tax capture revenue payments authorized under this



1 chapter.

2 (d) An estimate of the amount of withholding tax capture
3 revenues expected to be generated for each calendar year of the
4 duration of the written agreement.

5 (e) A statement by the eligible business that a violation of
6 the written agreement may result in the revocation of the
7 designation as an authorized business, the loss or reduction of
8 future withholding tax capture revenue payments under this chapter,
9 or a repayment of withholding tax capture revenues received
10 ~~pursuant to~~ **under** this chapter.

11 (f) A statement by the eligible business that a
12 misrepresentation in the application may result in the revocation
13 of the designation as an authorized business and the repayment of
14 withholding tax capture revenues received under this chapter plus a
15 penalty equal to 10% of the withholding tax capture revenue
16 payments received ~~pursuant to~~ **under** this chapter.

17 (g) A method for measuring and verifying **permanent**, full-time
18 jobs before and after an expansion or location of an authorized
19 business in this state.

20 (h) A provision that the authorized business that is certified
21 under section 90i(2) for a payment from the ~~good jobs for~~ **H.I.R.E.**
22 Michigan fund shall file the required returns and reports under
23 this chapter and ~~part 3~~ **chapter 17** of the income tax act of 1967,
24 1967 PA 281, MCL 206.701 to ~~206.713,~~ **206.715**, with the department
25 of treasury, and shall provide any other information reasonably
26 requested by the fund or the department of treasury.

27 (i) A maximum amount of withholding tax capture revenues that
28 the authorized business may claim before reduction of the 5%
29 payment described in section 90i for administrative expenses **and**



1 for the periodic evaluation of economic development incentives
 2 under this chapter in compliance with the economic development
 3 incentive evaluation act, 2018 PA 540, MCL 18.1751 to 18.1759.

4 (8) ~~Upon~~ **On** execution of a written agreement as provided in
 5 this chapter, an eligible business is an authorized business. The
 6 fund shall provide a copy of each written agreement to the
 7 department of treasury. ~~Upon~~ **On** execution of the written agreement,
 8 the transfer and payment of withholding tax capture revenues as
 9 specified in this chapter and in the written agreement is binding
 10 on this state. The state treasurer shall calculate, based on the
 11 written agreements received pursuant to ~~under~~ **under** this subsection, the
 12 amount of withholding tax capture revenues collected as a result of
 13 the certified new jobs created pursuant to those written agreements
 14 for each calendar year and the percentage of that amount that needs
 15 to be transferred from the general fund and deposited, in
 16 accordance with section 51f of the income tax act of 1967, 1967 PA
 17 281, MCL 206.51f, into the ~~good jobs for~~ **H.I.R.E.** Michigan fund,
 18 ~~where from which~~ the fund shall issue payments to the authorized
 19 business in the manner provided in section 90i.

20 (9) The fund shall not commit, and the department of treasury
 21 shall not disburse, an **annual** amount of total withholding tax
 22 capture revenues that exceeds ~~\$200,000,000.00,~~ **\$100,000,000.00,**
 23 which includes the 5% payment for administrative expenses **and the**
 24 **periodic evaluation of economic development incentives** as provided
 25 in section 90i. ~~The fund shall not execute more than 15 new written~~
 26 ~~agreements each calendar year for authorized businesses. If the~~
 27 ~~fund approves fewer than 15 written agreements in a calendar year,~~
 28 ~~then any unused written agreements shall carry forward into future~~
 29 ~~calendar years, and shall be in addition to the annual limit that~~



1 ~~is otherwise applicable.~~ If the amount committed or disbursed in a
 2 calendar year is less than \$100,000,000.00, the difference between
 3 that amount and \$100,000,000.00 is available to be committed or
 4 disbursed in subsequent calendar years and is in addition to the
 5 annual limit otherwise applicable. The fund must allocate the
 6 \$100,000,000.00 annual limit among multiple eligible businesses and
 7 must not commit the entire amount to single eligible business. For
 8 purposes of this subsection, "total withholding tax capture
 9 revenues" means the aggregate amount of withholding tax capture
 10 revenues that may be distributed to authorized businesses under all
 11 written agreements.

12 (10) Except as otherwise provided in subsection (11), an
 13 authorized business must meet 1 of the following timelines, as
 14 applicable, or both the authorized business and the fund are
 15 released from the written agreement:

16 (a) For an authorized business whose location or expansion in
 17 this state requires construction, the following timeline:

18 (i) The authorized business must begin construction not later
 19 than 3 years after the written agreement is executed.

20 (ii) The authorized business must complete its first hire of an
 21 individual to fill a certified new job not later than 2 years after
 22 the start of construction.

23 (iii) The authorized business must create the certified new jobs
 24 as provided in the written agreement and begin receiving
 25 withholding tax capture revenues not later than 3 years after its
 26 first hire as described in subparagraph (ii).

27 (b) For an authorized business whose location or expansion in
 28 this state does not require construction, the following timeline:

29 (i) The authorized business must complete its first hire of an



1 individual to fill a certified new job not later than 3 years after
2 the written agreement is executed.

3 (ii) The authorized business must create the certified new jobs
4 as provided in the written agreement and begin receiving
5 withholding tax capture revenues not later than 3 years after its
6 first hire as described in subparagraph (i).

7 (11) The fund shall notify an authorized business of an
8 applicable deadline under subsection (10) not less than 90 days
9 before the deadline. The fund may extend an applicable deadline
10 under subsection (10) for 1 year if the fund determines that the
11 authorized business has proceeded in good faith with the location
12 or expansion in this state and there is good cause for the
13 authorized business's delay in meeting the deadline. The fund may
14 request, and the authorized business shall provide, any information
15 the fund considers necessary to make the determination under this
16 subsection.

17 (12) ~~(10)~~The fund shall not designate an authorized business
18 or enter into a new written agreement on or after ~~December 31,~~
19 ~~2019~~ the date that is 8 years after the effective date of the
20 amendatory act that added subsection (13).

21 (13) The provisions of the amendatory act that added this
22 subsection do not apply to a written agreement executed before the
23 effective date of the amendatory act that added this subsection.

24 Enacting section 1. This amendatory act does not take effect
25 unless Senate Bill No. 580 of the 102nd Legislature is enacted into
26 law.

