

HOUSE BILL NO. 4420

May 01, 2025, Introduced by Reps. Kunse, Posthumus, Markkanen, Martin, Rigas, Bierlein, Neyer, Outman, Johnsen, Wortz, Greene, St. Germaine and Slagh and referred to Committee on Appropriations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
(MCL 18.1101 to 18.1594) by adding section 1365a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1365a. (1) Except as provided in this section, a state
2 agency shall not expend appropriated enhancement grant funds. An
3 enhancement grant included in a bill or conference report passed by
4 the legislature must be publicly disclosed on the department's
5 webpage created under subsection (4) by April 1, or the first

1 business day after April 1, of the same calendar year the
2 enhancement grant is considered by the legislature and for not less
3 than 14 days before passage of a bill or conference report. The
4 legislature shall provide the enhancement grant information to the
5 department by March 29, or the first business day after March 29,
6 of the calendar year the enhancement grant is considered by the
7 legislature. The public disclosure form for an enhancement grant
8 must be submitted in a form and manner that substantially conforms
9 to the following:

10 (a) The name of the sponsoring legislator and, if applicable,
11 any cosponsoring legislator.

12 (b) The name and location of the intended grant recipient,
13 including the impacted legislative district and legislator.

14 (c) The purpose of the enhancement grant and an explanation of
15 how the enhancement grant provides a public benefit and why the
16 item is an appropriate use of taxpayer funds or to otherwise
17 demonstrate that the item is not for a local or private purpose
18 under section 30 of article IV of the state constitution of 1963.

19 (d) The requested amount of state funding for the enhancement
20 grant.

21 (e) Whether the enhancement grant has previously received
22 federal, state, local, or private funding and the specific type of
23 previous funding received.

24 (f) If the recipient of the enhancement grant is a not-for-
25 profit entity, verification of all of the following information:

26 (i) That the entity has been operating in this state for not
27 less than the previous 36 consecutive months.

28 (ii) That the entity has had a physical office in this state
29 for not less than the previous 12 consecutive months.

1 (iii) That the entity has a board of directors and a list of all
2 officers and active directors on the entity's board of directors.

3 (iv) That the entity is not a for-profit entity.

4 (g) A certification that the sponsoring legislator and the
5 sponsoring legislator's staff members and immediate family members
6 have no direct or indirect pecuniary interest in the enhancement
7 grant.

8 (h) Information on the required project timing of the proposed
9 enhancement grant.

10 (2) The sponsoring legislator must provide the completed form
11 required under subsection (1) to the department. The department
12 must provide the completed form to the chairpersons of the senate
13 and house of representatives appropriations committees, senate
14 fiscal agency, and house fiscal agency.

15 (3) A for-profit business is not eligible to receive an
16 enhancement grant.

17 (4) The department shall develop a webpage on the department's
18 official website to display the completed public disclosures
19 required under subsection (1). The webpage developed under this
20 subsection must be conspicuously available to the public. The
21 department shall post the completed public disclosures on the
22 webpage not later than the following, as applicable:

23 (a) For the calendar year 2026, 3 business days after the
24 development of the webpage.

25 (b) 3 business days after the department's receipt of the
26 complete public disclosure.

27 (5) As used in this section:

28 (a) "Enhancement grant" means an appropriation that authorizes
29 or obligates a specific amount of money for a contract, grant,

1 loan, or other economic assistance, incentive, or expenditure to a
2 specific person, organization, unit of local government, or project
3 or activity in a unit of local government, other than through a
4 formula-driven or competitive award process.

5 (b) "Immediate family member" means any of the following
6 individuals:

7 (i) An individual's parent, child, sibling, or spouse.

8 (ii) Any other individual who resides in the same household as
9 the individual.

10 (c) "Legislator" mean a duly elected individual who serves in
11 either the senate or house of representatives.

12 (d) "Staff person" means an individual who is currently or,
13 within the prior 2 years, has been employed by the senate or house
14 of representatives.

15 Enacting section 1. This amendatory act takes effect January
16 1, 2026.