

# FISCAL BRIEF

## MAKE IT IN MICHIGAN COMPETITIVENESS FUND

Michael Crossen, Senior Fiscal Analyst  
February 12, 2025

### FAST FACTS

- The Make It in Michigan Competitiveness Fund was created to help secure funding from federal opportunities.
- A total of \$336.8 million GF/GP has been appropriated for the program.
- Funding has been approved for 17 projects, totaling \$202.5 million. These are expected to secure \$1.1 billion in federal funding for Michigan.
- A Presidential Executive Order has paused future funding for certain programs targeted by the Make It in Michigan program.
- \$128.0 million remains available for future funding awards.

### INTRODUCTION

The Make It in Michigan Competitiveness Fund (MIIMCF) was created to enhance the ability of the state of Michigan to take advantage of large federal funding opportunities by providing a pool of state funds that can be used for grant matching fund requirements or other required grant criteria. A total of \$336.8 million GF/GP was appropriated for this purpose in 2023 PA 119, the annual state budget act for FY 2023-24. As of January 2025, \$202.5 million of MIIMCF funds have been dedicated for projects tied to various federal grant programs. A balance of \$128.0 million remains available for additional projects. This brief provides background information on the MIIMCF, describes the process for approving funding for projects, and gives details on projects that have received support.

### BACKGROUND

The MIIMCF was created in response to the enactment of three federal statutes in 2021 and 2022 that provided major funding opportunities for states and local governments: the [Infrastructure Investment and Jobs Act](#) (IIJA, P.L. 117-58, also referred to as the Bipartisan Infrastructure Law), the [CHIPS Act of 2022](#) (Division A of P.L. 117-167), and the [Inflation Reduction Act of 2022](#), (IRA, P.L. 117-169). These acts provide funding for infrastructure projects (such as roads, bridges, water infrastructure, and broadband internet), to boost research and manufacturing of semiconductors, and to expand clean energy and manufacturing capabilities, respectively.

Combined, these federal acts authorized more than \$2 trillion for up to 10 years for many federal grants to be distributed to state and local governments. The MIIMCF serves as a pool of state funds to provide state matching funds and support other investments that would be necessary to secure federal grant awards.

The MIIMCF was created by boilerplate section 891 of the General Government budget (Article 5) of [2023 PA 119](#). That act appropriated a total of \$336.8 million GF/GP to the Department of Technology, Management, and Budget (DTMB) for this pool of funds. Of that amount, \$286.8 million was appropriated for FY 2023-24 under Article 5 and deposited into the MIIMCF. The remaining \$50.0 million was appropriated as a supplemental appropriation for FY 2022-23 under Article 16. This amount was *not* deposited into the MIIMCF but was conditioned by boilerplate section 853 of Article 16, which was substantively similar to section 891, but with some key differences described below.

## **MAKE IT IN MICHIGAN PROGRAM AND FUND AUTHORIZATION**

In addition to creating the MIIMCF, section 891 of Article 5 of 2023 PA 119 required the state budget director and the Michigan Infrastructure Office (MIO) to form an “interagency evaluation committee” to develop program guidelines and selection criteria for awarding funds and to make recommendations to the state budget director on fund disbursements. This committee consists of representatives from the Michigan Strategic Fund and the Departments of Environment, Great Lakes, and Energy; Labor and Economic Opportunity; and Transportation. Details on the Make It in Michigan program guidelines, goals, and selection criteria can be found on the [state’s website](#).

Funds from the MIIMCF may be spent only upon appropriation or through the administrative transfer process outlined under [section 393 of the Management and Budget Act](#) and under subsections (4) through (6) of section 891. That process requires the state budget director to notify each member of the House and Senate appropriations committees of any and all intended administrative transfers. If neither appropriations committee *disapproves* the transfer recommendation within 30 days of receiving the notification, the recommendation is approved. (The approval process for administrative transfers is distinguished from that for legislative transfers, which requires active approval from each appropriations committee to be completed.)

Section 891 states that funds from the MIIMCF are available to leverage federal funding opportunities that include infrastructure, health, public safety, mobility and electrification, climate and the environment, economic development, and other funding opportunities from the federal government, and for all administrative costs of the program. Section 891 cites federal funding opportunities from IJA, the CHIPS Act of 2022, and the IRA as applicable sources, but it does not limit the use of MIIMCF funds to those three acts.

Additionally, section 891 requires DTMB to submit two new reports to the legislature. The first report must notify the legislature of the receipt of any federal funds to be used as the basis for recommended disbursements from the MIIMCF. This report must be submitted within 30 days of receiving the federal funds. The second report must include information on the projects funded with the Make It in Michigan Competitiveness Fund not later than 90 days after the close of the fiscal year. (While the *end* of the fiscal year is September 30, the fiscal year is considered *closed* only upon completion of all transactions necessary to close the books for that fiscal year. Annual book closing often does not occur until early in the next calendar year.)

As mentioned above, \$50.0 million of the total funds appropriated for the Make It in Michigan program was not deposited into the MIIMCF and is conditioned, not by section 891, but by section 853 of Article 14 of 2023 PA 119. These sections are substantively similar but have some key differences. Section 853 specifies that funds may be provided for match requirements only “after other state resources or funds associated with the purpose of the federal funding opportunity are exhausted.” Section 853 also authorizes up to \$10.0 million to be used for “technical assistance” to local and state government entities and to other nonprofit entities that may be actively seeking or partnering with the state for a federal funding opportunity. This assistance may include help with identifying federal funding opportunities, grant-writing assistance and review, and compliance with applicable federal regulations for awards. Section 853 designates the unexpended portion of the FY 2022-23 appropriation as a work project, which allows it to be carried forward through the end of FY 2026-27. Finally, section 853 does not include reporting requirements or authorize funds to be used for administrative costs.

The program is administered by the director and five staff members of the Michigan Infrastructure Office. Administrative Transfer Request 2024-5 included \$3.4 million to cover administrative costs over the course of the 10-year federal funding period.

It should be noted that the MIIMCF has no direct relationship with the Make It in Michigan Fund proposed in legislative packages in the House (House Bills 5095 and 5104 to 5107) and Senate (Senate Bills 559 to 562 and 569) during the 2023-24 legislative session.

## **EXECUTIVE ORDER PAUSE ON FEDERAL FUND DISBURSEMENTS**

On January 20, 2025, President Trump signed an [executive order](#) that ordered a pause on the disbursement of funds authorized under the IIJA and the IRA. Section 7 of the order specifies the pausing of funds “for electric vehicle charging stations made available through the National Electric Vehicle Infrastructure Formula Program and the Charging and Fueling Infrastructure Discretionary Grant Program,” but it does not limit the pause on disbursements to only those programs. The order prohibits the disbursement of any funds until the Director of the Office of Management and Budget and the Assistant to the President for Economic Policy approve them.

In a [memorandum](#) released on January 21, the White House provided additional guidance on the order, clarifying that the pause on funding applies only to programs that are determined to contravene the policy established in section 2 of the order. Section 2 establishes the administration’s energy policy priorities. Among these priorities is the elimination of the “electric vehicle (EV) mandate.” While the memo states that the pause is limited to these projects and activities, all disbursements still must be reviewed and approved as described above.

Funds previously disbursed for projects are not expected to be affected. It is not yet clear how the order will impact either timing or approval of existing grant applications that have not yet received funding. It is also unclear how grants related to lithium and mineral processing for batteries will be evaluated under the new policy.

## **CURRENT FUNDING AWARD RECIPIENTS**

The projects listed below and in the table that follows were recommended by the state budget director and approved through the administrative transfer process to be awarded disbursements from the MIIMCF.<sup>1</sup> No projects have received funding by appropriation. Projects were approved through Administrative Transfer Requests [2024-5](#) and [2025-1](#), which provide greater detail on all approved projects.

[Revex Technologies](#) – \$50.0 million for improved mineral processing of nickel that, when refined, would be used to create EV batteries.

[Hemlock Semiconductor](#) – \$40.0 million for a new manufacturing facility production of hyper-pure semiconductor-grade polysilicon.

[Mitra Future Technologies](#) – \$25.0 million to support domestic manufacturing materials for energy storage systems and EV applications as part of the American Production of Lithium Iron Phosphate and Future Innovation (AmPLIFI) project.

[Nel Hydrogen](#) – \$25.0 million to establish a manufacturing facility for the production of clean hydrogen using electrolysis, a process used to reduce production costs of clean hydrogen by possibly as much as 80% in a decade.

[Nanograf](#) – \$15.0 million to establish a facility to manufacture silicon monoxide anodes to strengthen domestic supply chains and markets by onshoring battery materials.

---

<sup>1</sup> In addition, two projects for which transfers were approved did not receive funding because the requests were rescinded. One was for \$7.6 million to ZF North to expand e-beam production capacity for low-emissions vehicle and transportation technology. The second was for \$3.0 million to Gradient to accelerate the manufacturing of easy-to-install, climate friendly heat pumps.

Department of Environment, Great Lakes and Energy (EGLE) – \$11.3 million to establish a hydrogen hub for heavy duty trucks and fleet vehicles. Funding will be administered by EGLE through the Midwest Alliance for Clean Hydrogen (MachH2). Funding will be distributed in subgrants to recipients such as the Mass Transportation Authority in Flint and the American Center for Mobility in Ypsilanti for research and development on hydrogen mobility.

EGLE – \$10.0 million to create a Michigan Climate Investment Fund used to increase the number of community lenders that provide financing for clean technology projects in low-income and disadvantaged communities.

Department of Labor and Economic Opportunity (LEO) – \$9.2 million to help at-risk auto manufacturers retool facilities and train employees to support production of EVs and components. The project will be administered in partnership with the Michigan Manufacturing Technology Center, the Michigan Small Business Development Center, and the Centrepolis Accelerator.

Michigan Community Capital – \$6.5 million for mixed-use housing projects to revitalize downtown neighborhoods through the New Markets Tax Credit Program.

Michigan State Police (MSP)/Emergency Management and Homeland Security Division (EMHSD) – \$5.0 million to establish a self-sustaining low-interest revolving loan fund (RLF) to seed-fund local hazard mitigation projects to reduce risks from natural disasters. MSP/EMHSD will administer loans to local entities to be repaid into the RLF for loans for new eligible projects.

Port of Monroe – \$2.5 million for infrastructure upgrades at the Port of Monroe to increase vessel capacity and to construct a second wharf facility dedicated to wind tower segments and other cargo related to wind energy production.

Inter-Tribal Council of Michigan – \$1.0 million to make at least 300 homes energy-efficient and to convert 12 tribal government facilities into community resilience hubs, or centers to help communities adapt to climate change and other events.

EcoWorks – \$1.0 million to help residents own their own energy resources; improve transportation access, health, and emergency response to power outages; and reduce energy costs.

Michigan Department of Transportation (MDOT) – \$500,000 for the Michigan Innovative Finance Asset Scan for Transportation (MIFAST) to assess transportation assets and provide an analysis for financing to rebuild transportation infrastructure across the state.

Midwest Tribal Energy Resources Association – \$270,000 to expand access to energy efficiency and weatherization infrastructure for federally designated tribal governments by improving indoor air quality, lowering energy costs, and investing in leadership development training to build capacity in accessing additional related resources.

Inter-Tribal Council of Michigan – \$150,000 to enable federally recognized tribal governments to protect and restore Manoomin, the culturally significant wild rice.

West Michigan Shoreline Regional Development Commission – \$62,500 for research on expanding food processing operations, workforce education training, and product development in the agricultural economy of Lake, Mason, Muskegon, Newaygo, and Oceana Counties.

## Make It in Michigan Competitiveness Fund Grant Awards

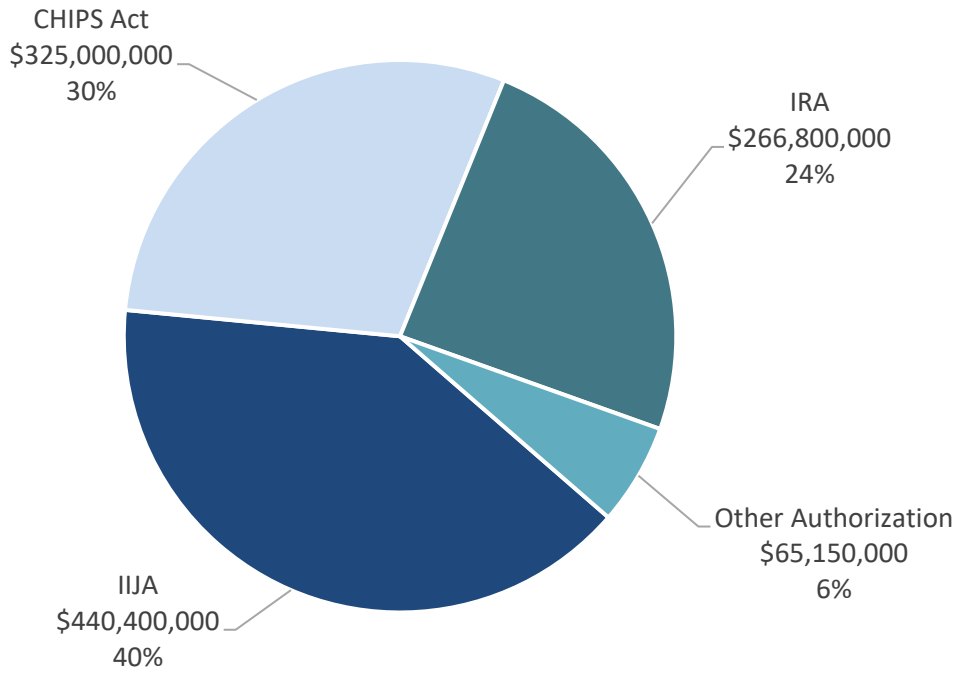
Beneficiary	Location	MIIMCF Funding	Federal Funding	Private Funding	Federal Act	Federal Program
Revox Technologies	Houghton	\$50,000,000	\$145,000,000	\$134,400,000	IIJA	Battery Manufacturing and Recycling Grants Program
Hemlock Semiconductor	Hemlock	\$40,000,000	<b>\$325,000,000</b>	\$407,000,000	CHIPS	Commercial Fabrication Facilities Program
Nel Hydrogen	Plymouth	\$25,000,000	\$50,000,000		IIJA	Clean Hydrogen Electrolysis Program
Mitra Future Technologies	Muskegon	\$25,000,000	\$100,000,000	\$221,000,000	IIJA	Battery Manufacturing and Recycling Grants Program
Nanograf	Flint	\$15,000,000	\$60,000,000	\$85,000,000	IIJA	Battery Manufacturing and Recycling Grants Program
EGLE, MACH 2	Flint, Ypsilanti	\$11,250,000	<b>\$22,500,000</b>	\$14,900,000	IIJA	Regional Clean Hydrogen Hubs Program
EGLE	Statewide	\$10,000,000	\$200,000,000		IRA	Clean Communities Investment Accelerator (CCIA) Program
LEO	Statewide	\$9,203,210	<b>\$22,650,000</b>	\$9,200,000	IRA	Domestic Manufacturing Conversion Grants for Electrified Vehicles: State Partnerships for Small and Medium Sized Manufacturers (SMMs)
MI Community Capital	Lansing	\$6,500,000	<b>\$65,000,000</b>	\$48,500,000	IRS Internal Revenue Code	Section 45D
MSP	Statewide	\$5,000,000	<b>\$17,000,000</b>		IIJA	Safeguarding Tomorrow Revolving Loan Fund Program
Gradient	Southfield	\$3,000,000	\$17,500,000		IRA	Heat Pump Defense Production Act Program
Port of Monroe	Monroe	\$2,518,731	\$11,100,000	\$629,700	IIJA	Port Infrastructure Development Program
Inter-Tribal Council of Michigan, Inc.	Statewide	\$1,000,000	\$20,000,000		IRA	Environmental and Climate Justice Community Change Grants Program
EcoWorks	Detroit	\$1,000,000	<b>\$20,000,000</b>		IRA	Environmental and Climate Justice Community Change Grants Program

Make It in Michigan Competitiveness Fund Grant Awards						
Beneficiary	Location	MIIMCF Funding	Federal Funding	Private Funding	Federal Act	Federal Program
MDOT	Statewide	\$500,000	<b>\$2,000,000</b>		IIJA	Innovative Finance and Asset Concession Grant Program
Midwest Tribal Energy Resources Association, Inc.	Statewide	\$270,000	<b>\$5,400,000</b>		IRA	Environmental and Climate Justice Community Change Grants Program
Inter-Tribal Council of Michigan, Inc.	Statewide	\$150,000	<b>\$23,000,000</b>		IRA	Environmental and Climate Justice Community Change Grants Program
West Michigan Shoreline Regional Development Commission	Lake, Mason, Muskegon, Newaygo, Oceana Counties	\$62,500	<b>\$125,000</b>	\$62,500	Consolidated Appropriations Act of 2021	NA
<b>Grants Total</b>		\$202.5	\$1,097.4	\$999.5		
MIO Administration		\$3.4				
Technical Assistance		\$3.0				
<b>Grand Total</b>		\$208.9				
<b>Remaining MIIMCF Funds</b>		\$128.0				

Notes:

- (1) Bold figures indicate federal funds that have been received.
- (2) Totals and subtotals are millions.

### Anticipated Federal Funding by Authorizing Act



### Allocation of Make It in Michigan Funds and Remaining Funds Available

