
Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1255 (as reported without amendment)
Sponsor: Senator Thaddeus G. McCotter
Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

The bill would amend the Local Development Financing Act to allow a municipality with a local development finance authority to apply to the Michigan Economic Development Corporation (MEDC) for designation of all or part of the authority as a "certified technology park". The MEDC could make this designation if the application demonstrated significant support from an institution of higher education or a private research-based institute located within the proximity of the park; a significant commitment on behalf of an institution of higher education or private research-based institute to the commercialization of research produced at the park; that the proposed park would take advantage of the unique characteristics of public and private resources in the area; the existence or proposed development of a business incubator within the proposed park; the existence of a business plan for the proposed park that addressed certain factors; and/or an assurance that the proposed park could be developed principally to contain eligible property devoted to a high technology activity or a business incubator. ("Business incubator" would refer to real property, machinery, equipment, furniture, and fixtures that were located in a certified technology park, subject to a certified technology park agreement, and developed for the purpose of attracting owners or tenants that would qualify the property as eligible high technology property, or would support the development of businesses, services, and products related to a high technology activity.)

Upon the MEDC's approval of an application, an authority and a municipality that incorporated the authority could enter into an agreement with the MEDC establishing the terms and conditions governing the certified technology park. An agreement could not be made after December 31, 2003. The bill would allow the MEDC to designate up to 10 certified technology parks; and would revise the capture of tax increment revenues with respect to certified technology parks.

MCL 125.2152 et al.

Legislative Analyst: N. Nagata

FISCAL IMPACT

The fiscal impact of this bill cannot be estimated at this time because there is no way to know how many high technology businesses would locate in an existing certified industrial park (which would be called a business development area under the bill), or how many businesses would participate in the proposed new certified technology parks. There is also no way to know the amount of property taxes that would be captured from these new and expanded business activities, which would be used to help finance public facilities within these areas.

Date Completed: 5-18-00

Fiscal Analyst: J. Wortley

[floor/sb1255](#)

Analysis available @ <http://www.michiganlegislature.org>

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