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SFA**BILL ANALYSIS**

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Senate Bill 1315 (as enrolled)
Sponsor: Senator Don Koivisto
Senate Committee: Finance
House Committee: Energy and Technology

PUBLIC ACT 587 of 2002

Date Completed: 2-4-03

CONTENT

The bill amended the Michigan Renaissance Zone Act to provide that within 18 months of the bill's effective date, the Michigan Strategic Fund board may designate one renaissance zone as a pharmaceutical renaissance zone. The bill took effect on October 16, 2002. (The Act allows the board to designate five renaissance zones in addition to the nine originally allowed. The pharmaceutical renaissance zone allowed by the bill is one of the additional five.)

already authorized renaissance zones to be a pharmaceutical renaissance zone. Therefore, the bill will have no fiscal impact compared with previous law.

Fiscal Analyst: Jay Wortley

The designated zone will have to promote and increase the research, development, and manufacturing of pharmaceutical products of an eligible pharmaceutical company. The bill defines "eligible pharmaceutical company" as a company that is engaged primarily in manufacturing, research and development, and the sale of pharmaceuticals; has at least 8,500 employees located in Michigan, all of whom are located within a 100-mile radius of each other; and, of its total number of employees in the State, has at least 5,000 engaged primarily in research and development of pharmaceuticals.

(Under the Act, within an area designated as a renaissance zone, businesses and residents are eligible for certain tax exemptions and credits, including exemptions from property taxes, the State income tax, and the single business tax.)

MCL 125.2688a

Legislative Analyst: George Towne

FISCAL IMPACT

The bill does not expand the number of renaissance zones, but allows one of the

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.