

**HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1315**

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending section 8a (MCL 125.2688a), as amended by 2002 PA  
512.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 8a. (1) Except as provided in subsections (2), (3),  
2   and (4), the board shall not designate more than 9 additional  
3   renaissance zones within this state under this section. Not more  
4   than 6 of the renaissance zones shall be located in urban areas  
5   and not more than 5 of the renaissance zones shall be located in  
6   rural areas. For purposes of determining whether a renaissance  
7   zone is located in an urban area or rural area under this sec-  
8   tion, if any part of a renaissance zone is located within an  
9   urban area, the entire renaissance zone shall be considered to be  
10   located in an urban area.

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1           (2) The board of the Michigan strategic fund described in  
2   section 4 of the Michigan strategic fund act, 1984 PA 270,  
3   MCL 125.2004, may designate not more than 5 additional renaiss-  
4   sance zones within this state in 1 or more cities, villages, or  
5   townships if that city, village, or township or combination of  
6   cities, villages, or townships consents to the creation of a  
7   renaissance zone within their boundaries. The board of the  
8   Michigan strategic fund may designate not more than 1 of the 5  
9   additional renaissance zones described in this subsection as an  
10  alternative energy zone. An alternative energy zone shall pro-  
11  mote and increase the research, development, and manufacturing of  
12  alternative energy technology as that term is defined in the  
13  Michigan next energy authority act. An alternative energy zone  
14  shall have a duration of renaissance zone status for a period not  
15  to exceed 20 years as determined by the board of the Michigan  
16  strategic fund. NOT LATER THAN 18 MONTHS AFTER THE EFFECTIVE  
17  DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE BOARD  
18  OF THE MICHIGAN STRATEGIC FUND MAY DESIGNATE NOT MORE THAN 1 OF  
19  THE 5 ADDITIONAL RENAISSANCE ZONES DESCRIBED IN THIS SUBSECTION  
20  AS A PHARMACEUTICAL RENAISSANCE ZONE. A PHARMACEUTICAL RENAISS-  
21  SANCE ZONE SHALL PROMOTE AND INCREASE THE RESEARCH, DEVELOPMENT,  
22  AND MANUFACTURING OF PHARMACEUTICAL PRODUCTS OF AN ELIGIBLE PHAR-  
23  MACEUTICAL COMPANY.

24           (3) In addition to the not more than 9 additional renaiss-  
25  sance zones described in subsection (1), the board may designate  
26  additional renaissance zones within this state in 1 or more  
27  qualified local governmental units if that qualified local

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1 governmental unit or units contain a military installation that  
2 was operated by the United States department of defense and was  
3 closed in 1977 or after 1990.

4 (4) Land owned by a county or the qualified local governmen-  
5 tal unit or units adjacent to a zone as described in  
6 subsection (3) may be included in this zone.

7 (5) Notwithstanding any other provision of this act, prop-  
8 erty located in the alternative energy zone that is classified as  
9 commercial real property under section 34c of the general prop-  
10 erty tax act, 1893 PA 206, MCL 211.34c, and that the authority,  
11 with the concurrence of the assessor of the local tax collecting  
12 unit, determines is not used to directly promote and increase the  
13 research, development, and manufacturing of alternative energy  
14 technology is not eligible for any exemption, deduction, or  
15 credit under section 9.

16 (6) AS USED IN THIS SECTION, "ELIGIBLE PHARMACEUTICAL  
17 COMPANY" MEANS A COMPANY THAT MEETS ALL OF THE FOLLOWING  
18 CRITERIA:

19 (A) IS ENGAGED PRIMARILY IN MANUFACTURING, RESEARCH AND  
20 DEVELOPMENT, AND SALE OF PHARMACEUTICALS.

21 (B) HAS NOT LESS THAN 8,500 EMPLOYEES LOCATED IN THIS STATE,  
22 ALL OF WHOM ARE LOCATED WITHIN A 100-MILE RADIUS OF EACH OTHER.

23 (C) OF THE TOTAL NUMBER OF EMPLOYEES LOCATED IN THIS STATE,  
24 HAS NOT LESS THAN 5,000 ENGAGED PRIMARILY IN RESEARCH AND DEVEL-  
25 OPMENT OF PHARMACEUTICALS.