

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 900

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8c (MCL 125.2688c), as amended by 2003 PA 93.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8c. (1) The board, upon recommendation of the board of
2 the Michigan strategic fund defined in section 4 of the Michigan
3 strategic fund act, 1984 PA 270, MCL 125.2004, **AND UPON**
4 **RECOMMENDATION OF THE COMMISSION OF AGRICULTURE**, may designate not
5 more than ~~20~~ **30** additional renaissance zones for agricultural
6 processing facilities within this state in 1 or more cities,
7 villages, or townships if that city, village, or township or
8 combination of cities, villages, or townships consents to the
9 creation of a renaissance zone for an agricultural processing

1 facility within their boundaries.

2 (2) Each renaissance zone designated for an agricultural
3 processing facility under this section shall be 1 continuous
4 distinct geographic area.

5 (3) The board may revoke the designation of all or a portion
6 of a renaissance zone for an agricultural processing facility if
7 the board determines that the agricultural processing facility
8 ~~fails to commence operation or ceases operation~~ **DOES 1 OR MORE OF**
9 **THE FOLLOWING** in a renaissance zone designated under this section:

10 -

11 (A) FAILS TO COMMENCE OPERATION.

12 (B) CEASES OPERATION.

13 (C) FAILS TO COMMENCE CONSTRUCTION OR RENOVATION WITHIN 1 YEAR
14 FROM THE DATE THE RENAISSANCE ZONE FOR THE AGRICULTURAL PROCESSING
15 FACILITY IS DESIGNATED.

16 (4) BEGINNING ON THE DATE OF THE AMENDATORY ACT THAT ADDED
17 THIS SUBSECTION, THE BOARD SHALL CONSIDER ALL OF THE FOLLOWING WHEN
18 DESIGNATING A RENAISSANCE ZONE FOR AN AGRICULTURAL PROCESSING
19 FACILITY:

20 (A) THE ECONOMIC IMPACT ON LOCAL SUPPLIERS WHO SUPPLY RAW
21 MATERIALS, GOODS, AND SERVICES TO THE AGRICULTURAL PROCESSING
22 FACILITY.

23 (B) THE CREATION OF JOBS RELATIVE TO THE EMPLOYMENT BASE OF
24 THE COMMUNITY RATHER THAN THE STATIC NUMBER OF JOBS CREATED.

25 (C) THE VIABILITY OF THE PROJECT.

26 (D) THE ECONOMIC IMPACT ON THE COMMUNITY IN WHICH THE
27 AGRICULTURAL PROCESSING FACILITY IS LOCATED.

1 (E) ALL OTHER THINGS BEING EQUAL, GIVING PREFERENCE TO A
2 BUSINESS ENTITY ALREADY LOCATED IN THIS STATE.

3 (5) BEGINNING ON THE DATE OF THE AMENDATORY ACT THAT ADDED
4 THIS SUBSECTION, THE BOARD SHALL DO ALL OF THE FOLLOWING:

5 (A) REQUIRE A DEVELOPMENT AGREEMENT BETWEEN THE MICHIGAN
6 STRATEGIC FUND AND THE AGRICULTURAL PROCESSING FACILITY.

7 (B) DESIGNATE NOT LESS THAN 3 OF THE RENAISSANCE ZONES FOR
8 AGRICULTURAL PROCESSING FACILITIES THAT HAVE AN INITIAL CAPITAL
9 INVESTMENT OF LESS THAN \$7,000,000.00.

10 (C) DESIGNATE NOT LESS THAN 5 OF THE RENAISSANCE ZONES FOR
11 AGRICULTURAL PROCESSING FACILITIES IN RURAL AREAS.

12 (6) AS USED IN THIS SECTION, "DEVELOPMENT AGREEMENT" MEANS A
13 WRITTEN AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND THE
14 AGRICULTURAL PROCESSING FACILITY THAT INCLUDES, BUT IS NOT LIMITED
15 TO, ALL OF THE FOLLOWING:

16 (A) A REQUIREMENT THAT THE AGRICULTURAL PROCESSING FACILITY
17 COMPLY WITH ALL STATE AND LOCAL LAWS.

18 (B) A REQUIREMENT THAT THE AGRICULTURAL PROCESSING FACILITY
19 REPORT ANNUALLY TO THE MICHIGAN STRATEGIC FUND ON ALL OF THE
20 FOLLOWING:

21 (i) THE AMOUNT OF CAPITAL INVESTMENT MADE AT THE FACILITY.

22 (ii) THE NUMBER OF INDIVIDUALS EMPLOYED AT THE FACILITY AT THE
23 BEGINNING AND END OF THE REPORTING PERIOD AS WELL AS THE NUMBER OF
24 INDIVIDUALS TRANSFERRED TO THE FACILITY FROM ANOTHER FACILITY OWNED
25 BY THE AGRICULTURAL PROCESSING FACILITY.

26 (iii) THE PERCENTAGE OF RAW MATERIALS PURCHASED IN THIS STATE.

27 (C) ANY OTHER CONDITIONS OR REQUIREMENTS REASONABLY REQUIRED

1 BY THE MICHIGAN STRATEGIC FUND.