

HOUSE BILL No. 4818

May 19, 2005, Introduced by Reps. Baxter, LaJoy, Pavlov, Huizenga, Nitz, Newell, Stewart, Stahl, Gosselin, Elsenheimer, Mortimer, Booher, Emmons, Nofs, Taub and Hildenbrand and referred to the Committee on Commerce.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8d (MCL 125.2688d), as amended by 2004 PA 202.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8d. (1) The board of the Michigan strategic fund
2 described in section 4 of the Michigan strategic fund act, 1984 PA
3 270, MCL 125.2004, may designate not more than 20 tool and die
4 renaissance recovery zones within this state in 1 or more cities,
5 villages, or townships if that city, village, or township or
6 combination of cities, villages, or townships consents to the
7 creation of a recovery zone within their boundaries. A recovery
8 zone shall have a duration of renaissance zone status ~~for~~ **AS**
9 **FOLLOWS:**

10 **(A) FOR** a period not to exceed 15 years as determined by the
11 board of the Michigan strategic fund.

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1 (B) FOR A PERIOD OF 15 YEARS, IF THE CITY, VILLAGE, OR
2 TOWNSHIP, OR COMBINATION OF CITIES, VILLAGES, OR TOWNSHIPS IN WHICH
3 THE QUALIFIED TOOL AND DIE BUSINESS IS LOCATED, AS A CONDITION OF
4 GRANTING ITS CONSENT UNDER THIS SUBSECTION [AS DETAILED IN A WRITTEN
AGREEMENT], RETAINS THE RIGHT TO
5 REVOKE THE RECOVERY ZONE DESIGNATION FOR A QUALIFIED TOOL AND DIE
6 BUSINESS IN THE FIFTH YEAR AND TENTH YEAR FOLLOWING THE YEAR THE
7 RECOVERY ZONE DESIGNATION WAS MADE IF THE CITY, VILLAGE, OR
8 TOWNSHIP, OR COMBINATION OF CITIES, VILLAGES, OR TOWNSHIPS
9 DETERMINES THAT [THE QUALIFIED TOOL AND DIE BUSINESS HAS VIOLATED 1
10 OR MORE TERMS OF THE WRITTEN AGREEMENT AND THE BOARD OF THE MICHIGAN
STRATEGIC FUND CONCURS WITH THAT DETERMINATION.]

11 (2) The board of the Michigan strategic fund may designate a
12 recovery zone within this state if the recovery zone consists only
13 of 1 or more parcels of qualified tool and die business property.

14 (3) The board of the Michigan strategic fund may revoke the
15 designation of all or a portion of a recovery zone with respect to
16 1 or more qualified tool and die businesses if those qualified tool
17 and die businesses fail or cease to participate in or comply with a
18 qualified collaborative agreement.

19 (4) As used in this section:

20 (a) "Qualified collaborative agreement" means an agreement
21 that demonstrates synergistic opportunities, including, but not
22 limited to, all of the following:

23 (i) Sales and marketing efforts.

24 (ii) Development of standardized processes.

25 (iii) Development of tooling standards.

26 (iv) Standardized project management methods.

27 (v) Improved ability for specialized or small niche shops to

1 develop expertise and compete successfully on larger programs.

2 (b) "Qualified tool and die business" means a business entity
3 that meets all of the following:

4 (i) Has a North American industrial classification system
5 (NAICS) of 333511, 333512, 333513, 333514, or 333515; or has a
6 North American industrial classification system (NAICS) of 337215
7 and operates a facility within an existing renaissance zone, which
8 facility is adjacent to real property not located in a renaissance
9 zone and is located within 1/4 mile of a Michigan technical
10 education center.

11 (ii) Has entered into a qualified collaboration agreement as
12 approved by the Michigan strategic fund with other business
13 entities that have a North American industrial classification
14 system (NAICS) of 333511, 333512, 333513, 333514, or 333515.

15 (iii) Has less than 50 full-time employees.

16 (c) "Qualified tool and die business property" means 1 or more
17 of the following:

18 (i) Property owned by 1 or more qualified tool and die
19 businesses and used by those qualified tool and die businesses
20 primarily for tool and die business operations.

21 (ii) Property leased by 1 or more qualified tool and die
22 business for which the qualified tool and die business is liable
23 for ad valorem property taxes and which is used by those qualified
24 tool and die businesses primarily for tool and die business
25 operations. The qualified tool and die business shall furnish proof
26 of its ad valorem property tax liability to the department of
27 treasury.

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- 1 ~~_____ (d) "Recovery zone" means a tool and die renaissance recovery~~
2 ~~zone created in this section._____~~

[(D) "WRITTEN AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN THE
CITY, VILLAGE, OR TOWNSHIP OR COMBINATION OF CITIES, VILLAGES, OR
TOWNSHIPS AND THE QUALIFIED TOOL AND DIE BUSINESS DETAILING THE TERMS AND
CONDITIONS OF THE RIGHT TO REVOKE THE RECOVERY ZONE DESIGNATION UNDER
SUBSECTION (1)(B).]