

SUBSTITUTE FOR
SENATE BILL NO. 371

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~~ 21 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 a period
9 not to exceed 15 years as determined by the board of the Michigan

1 strategic fund. NOT LESS THAN 1 OF THE RECOVERY ZONES SHALL CONSIST
2 OF 1 OR MORE QUALIFIED TOOL AND DIE BUSINESSES THAT HAVE A NORTH
3 AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS) OF 332997.

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

7 (3) THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY, AT THE
8 REQUEST OF 1 OR MORE QUALIFIED TOOL AND DIE BUSINESSES THAT ARE
9 PART OF A QUALIFIED COLLABORATIVE AGREEMENT, MODIFY THE QUALIFIED
10 COLLABORATIVE AGREEMENT AND MAY ADD 1 OR MORE NEW QUALIFIED TOOL
11 AND DIE BUSINESSES TO THE QUALIFIED COLLABORATIVE AGREEMENT.

12 (4) ~~—(3)—~~ The board of the Michigan strategic fund may revoke
13 the designation of all or a portion of a recovery zone with respect
14 to 1 or more qualified tool and die businesses if those qualified
15 tool and die businesses fail or cease to participate in or comply
16 with a qualified collaborative agreement.

17 (5) ~~—(4)—~~ As used in this section:

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

21 (i) Sales and marketing efforts.

22 (ii) Development of standardized processes.

23 (iii) Development of tooling standards.

24 (iv) Standardized project management methods.

25 (v) Improved ability for specialized or small niche shops to
26 develop expertise and compete successfully on larger programs.

27 (b) "Qualified tool and die business" means a business entity

1 that meets all of the following:

2 (i) Has a North American industrial classification system
3 (NAICS) of **332997**, 333511, 333512, 333513, 333514, or 333515; or
4 has a North American industrial classification system (NAICS) of
5 337215 and operates a facility within an existing renaissance zone,
6 which facility is adjacent to real property not located in a
7 renaissance zone and is located within 1/4 mile of a Michigan
8 technical education center.

9 (ii) Has entered into a qualified collaboration agreement as
10 approved by the Michigan strategic fund with other business
11 entities that have a North American industrial classification
12 system (NAICS) of **332997**, 333511, 333512, 333513, 333514, or
13 333515.

14 (iii) Has ~~less~~ **FEWER** than 50 full-time employees.

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

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

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

27 (d) "Recovery zone" means a tool and die renaissance recovery

1 zone created in this section.