

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1078

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
(MCL 125.2681 to 125.2696) by adding section 8e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 8E. (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, MAY DESIGNATE NOT
4 MORE THAN 10 ADDITIONAL RENAISSANCE ZONES FOR RENEWABLE ENERGY
5 FACILITIES WITHIN THIS STATE IN 1 OR MORE CITIES, VILLAGES, OR
6 TOWNSHIPS IF THAT CITY, VILLAGE, OR TOWNSHIP OR COMBINATION OF
7 CITIES, VILLAGES, OR TOWNSHIPS CONSENTS TO THE CREATION OF A
8 RENAISSANCE ZONE FOR A RENEWABLE ENERGY FACILITY WITHIN THEIR
9 BOUNDARIES.

10 (2) EACH RENAISSANCE ZONE DESIGNATED FOR A RENEWABLE ENERGY

1 FACILITY UNDER THIS SECTION SHALL BE 1 CONTINUOUS DISTINCT
2 GEOGRAPHIC AREA.

3 (3) THE BOARD MAY REVOKE THE DESIGNATION OF ALL OR A PORTION
4 OF A RENAISSANCE ZONE FOR A RENEWABLE ENERGY FACILITY IF THE BOARD
5 DETERMINES THAT THE RENEWABLE ENERGY FACILITY DOES 1 OR MORE OF THE
6 FOLLOWING IN A RENAISSANCE ZONE DESIGNATED UNDER THIS SECTION:

7 (A) FAILS TO COMMENCE OPERATION.

8 (B) CEASES OPERATION.

9 (C) FAILS TO COMMENCE CONSTRUCTION OR RENOVATION WITHIN 1 YEAR
10 FROM THE DATE THE RENAISSANCE ZONE FOR THE RENEWABLE ENERGY
11 FACILITY IS DESIGNATED.

12 (4) WHEN DESIGNATING A RENAISSANCE ZONE FOR A RENEWABLE ENERGY
13 FACILITY, THE BOARD SHALL CONSIDER ALL OF THE FOLLOWING:

14 (A) THE ECONOMIC IMPACT ON LOCAL SUPPLIERS WHO SUPPLY RAW
15 MATERIALS, GOODS, AND SERVICES TO THE RENEWABLE ENERGY FACILITY.

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

18 (C) THE VIABILITY OF THE PROJECT.

19 (D) THE ECONOMIC IMPACT ON THE COMMUNITY IN WHICH THE
20 RENEWABLE ENERGY FACILITY IS LOCATED.

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

23 (F) WHETHER THE RENEWABLE ENERGY FACILITY CAN BE LOCATED IN AN
24 EXISTING RENAISSANCE ZONE DESIGNATED UNDER SECTION 8 OR 8A.

25 (5) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
26 ADDED THIS SUBSECTION, THE BOARD SHALL REQUIRE A DEVELOPMENT
27 AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND THE RENEWABLE

1 ENERGY FACILITY.

2 (6) UNTIL THE MAXIMUM NUMBER OF ADDITIONAL RENAISSANCE ZONES
3 FOR RENEWABLE ENERGY FACILITIES DESCRIBED IN SUBSECTION (1) IS MET,
4 IF THE BOARD DESIGNATES A RENAISSANCE ZONE UNDER THIS SECTION,
5 SECTION 8C, OR SECTION 8F FOR A FACILITY THAT IS A FOREST PRODUCTS
6 PROCESSING FACILITY OR AN AGRICULTURAL PROCESSING FACILITY AND THAT
7 ALSO MEETS THE DEFINITION OF A RENEWABLE ENERGY FACILITY, THEN THE
8 BOARD SHALL ONLY DESIGNATE THAT RENAISSANCE ZONE AS A RENAISSANCE
9 ZONE FOR A RENEWABLE ENERGY FACILITY UNDER THIS SECTION.

10 (7) AS USED IN THIS SECTION, "DEVELOPMENT AGREEMENT" MEANS A
11 WRITTEN AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND THE
12 RENEWABLE ENERGY FACILITY THAT INCLUDES, BUT IS NOT LIMITED TO, ALL
13 OF THE FOLLOWING:

14 (A) A REQUIREMENT THAT THE RENEWABLE ENERGY FACILITY COMPLY
15 WITH ALL STATE AND LOCAL LAWS.

16 (B) A REQUIREMENT THAT THE RENEWABLE ENERGY FACILITY REPORT
17 ANNUALLY TO THE MICHIGAN STRATEGIC FUND ON ALL OF THE FOLLOWING:

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

19 (ii) THE NUMBER OF INDIVIDUALS EMPLOYED AT THE FACILITY AT THE
20 BEGINNING AND END OF THE REPORTING PERIOD AS WELL AS THE NUMBER OF
21 INDIVIDUALS TRANSFERRED TO THE FACILITY FROM ANOTHER FACILITY OWNED
22 BY THE RENEWABLE ENERGY FACILITY.

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

24 (C) ANY OTHER CONDITIONS OR REQUIREMENTS REASONABLY REQUIRED
25 BY THE MICHIGAN STRATEGIC FUND.