

# SENATE BILL No. 584

June 15, 2005, Introduced by Senators OLSHOVE, ALLEN, GOSCHKA, BARCIA and BIRKHOLZ and referred to the Committee on Technology and Energy.

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending section 8a (MCL 125.2688a), as amended by 2004 PA 430.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 urban area.

2 (2) The board of the Michigan strategic fund described in  
3 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL  
4 125.2004, may designate not more than 6 additional renaissance  
5 zones within this state in 1 or more cities, villages, or townships  
6 if that city, village, or township or combination of cities,  
7 villages, or townships consents to the creation of a renaissance  
8 zone within their boundaries. The board of the Michigan strategic  
9 fund may designate not more than 1 of the 6 additional renaissance  
10 zones described in this subsection as an alternative energy zone.  
11 An alternative energy zone shall promote and increase the research,  
12 development, **TESTING**, and manufacturing of alternative energy  
13 technology, ~~as that term is~~ **ALTERNATIVE ENERGY SYSTEMS, AND**  
14 **ALTERNATIVE ENERGY VEHICLES, AS THOSE TERMS ARE** defined in the  
15 Michigan next energy authority act, **2002 PA 593, MCL 207.821 TO**  
16 **207.827**. An alternative energy zone shall have a duration of  
17 renaissance zone status for a period not to exceed 20 years as  
18 determined by the board of the Michigan strategic fund. Not later  
19 than April 16, 2004, the board of the Michigan strategic fund may  
20 designate not more than 1 of the 6 additional renaissance zones  
21 described in this subsection as a pharmaceutical renaissance zone.  
22 A pharmaceutical renaissance zone shall promote and increase the  
23 research, development, and manufacturing of pharmaceutical products  
24 of an eligible pharmaceutical company. The board of the Michigan  
25 strategic fund may designate not more than 1 of the additional 6  
26 renaissance zones described in this subsection as a redevelopment  
27 renaissance zone. A redevelopment renaissance zone shall promote

1 the redevelopment of existing industrial facilities. Before  
2 designating a renaissance zone under this subsection, the board of  
3 the Michigan strategic fund may enter into a development agreement  
4 with the city, township, or village in which the renaissance zone  
5 will be located.

6 (3) In addition to the not more than 9 additional renaissance  
7 zones described in subsection (1), the board may designate  
8 additional renaissance zones within this state in 1 or more  
9 qualified local governmental units if that qualified local  
10 governmental unit or units contain a military installation that was  
11 operated by the United States department of defense and was closed  
12 in 1977 or after 1990.

13 (4) Land owned by a county or the qualified local governmental  
14 unit or units adjacent to a zone as described in subsection (3) may  
15 be included in this zone.

16 (5) Notwithstanding any other provision of this act, property  
17 located in the alternative energy zone that is classified as  
18 commercial real property under section 34c of the general property  
19 tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the  
20 concurrence of the assessor of the local tax collecting unit,  
21 determines is not used to directly promote and increase the  
22 research, **TESTING**, development, and manufacturing of alternative  
23 energy technology, **ALTERNATIVE ENERGY SYSTEMS, AND ALTERNATIVE**  
24 **ENERGY VEHICLES AS THOSE TERMS ARE DEFINED IN THE MICHIGAN NEXT**  
25 **ENERGY AUTHORITY ACT, 2002 PA 593, MCL 207.821 TO 207.827**, is not  
26 eligible for any exemption, deduction, or credit under section 9.

27 (6) As used in this section:

1           (a) "Eligible pharmaceutical company" means a company that  
2 meets all of the following criteria:

3           (i) Is engaged primarily in manufacturing, research and  
4 development, and sale of pharmaceuticals.

5           (ii) Has not less than 8,500 employees located in this state,  
6 all of whom are located within a 100-mile radius of each other.

7           (iii) Of the total number of employees located in this state,  
8 has not less than 5,000 engaged primarily in research and  
9 development of pharmaceuticals.

10          (b) "Redevelopment renaissance zone" means a renaissance zone  
11 that meets all of the following:

12          (i) Is located in a city with a population of more than 7,500  
13 and less than 8,500 and is located in a county with a population of  
14 more than 60,000 and less than 70,000.

15          (ii) Contains an industrial site of 200 or more acres.