

Act No. 270  
Public Acts of 2006  
Approved by the Governor  
July 7, 2006  
Filed with the Secretary of State  
July 7, 2006  
EFFECTIVE DATE: July 7, 2006

**STATE OF MICHIGAN  
93RD LEGISLATURE  
REGULAR SESSION OF 2006**

**Introduced by Senators Patterson, Brown, Cropsey, Gilbert, Allen, Bishop, Jelinek, Birkholz, Toy, Kuipers, Sikkema, Hammerstrom, Garcia, Goschka, Van Woerkom, Johnson, Olshove, Leland, Cherry and Thomas**

# **ENROLLED SENATE BILL No. 1078**

AN ACT to amend 1996 PA 376, entitled "An act to create and expand certain renaissance zones; to foster economic opportunities in this state; to facilitate economic development; to stimulate industrial, commercial, and residential improvements; to prevent physical and infrastructure deterioration of geographic areas in this state; to authorize expenditures; to provide exemptions and credits from certain taxes; to create certain obligations of this state and local governmental units; to require disclosure of certain transactions and gifts; to provide for appropriations; and to prescribe the powers and duties of certain state and local departments, agencies, and officials," (MCL 125.2681 to 125.2696) by adding section 8e.

*The People of the State of Michigan enact:*

Sec. 8e. (1) The board, upon recommendation of the board of the Michigan strategic fund defined in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, may designate not more than 10 additional renaissance zones for renewable energy facilities within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a renaissance zone for a renewable energy facility within their boundaries.

(2) Each renaissance zone designated for a renewable energy facility under this section shall be 1 continuous distinct geographic area.

(3) The board may revoke the designation of all or a portion of a renaissance zone for a renewable energy facility if the board determines that the renewable energy facility does 1 or more of the following in a renaissance zone designated under this section:

(a) Fails to commence operation.

(b) Ceases operation.

(c) Fails to commence construction or renovation within 1 year from the date the renaissance zone for the renewable energy facility is designated.

(4) When designating a renaissance zone for a renewable energy facility, the board shall consider all of the following:

(a) The economic impact on local suppliers who supply raw materials, goods, and services to the renewable energy facility.

(b) The creation of jobs relative to the employment base of the community rather than the static number of jobs created.

- (c) The viability of the project.
  - (d) The economic impact on the community in which the renewable energy facility is located.
  - (e) All other things being equal, giving preference to a business entity already located in this state.
  - (f) Whether the renewable energy facility can be located in an existing renaissance zone designated under section 8 or 8a.
- (5) Beginning on the effective date of the amendatory act that added this subsection, the board shall require a development agreement between the Michigan strategic fund and the renewable energy facility.
- (6) Until the maximum number of additional renaissance zones for renewable energy facilities described in subsection (1) is met, if the board designates a renaissance zone under this section, section 8c, or section 8f for a facility that is a forest products processing facility or an agricultural processing facility and that also meets the definition of a renewable energy facility, then the board shall only designate that renaissance zone as a renaissance zone for a renewable energy facility under this section.
- (7) As used in this section, "development agreement" means a written agreement between the Michigan strategic fund and the renewable energy facility that includes, but is not limited to, all of the following:
- (a) A requirement that the renewable energy facility comply with all state and local laws.
  - (b) A requirement that the renewable energy facility report annually to the Michigan strategic fund on all of the following:
    - (i) The amount of capital investment made at the facility.
    - (ii) The number of individuals employed at the facility at the beginning and end of the reporting period as well as the number of individuals transferred to the facility from another facility owned by the renewable energy facility.
    - (iii) The percentage of raw materials purchased in this state.
  - (c) Any other conditions or requirements reasonably required by the Michigan strategic fund.

This act is ordered to take immediate effect.

*Carol Morey Viventi*

Secretary of the Senate

*Ray E. Randall*

Clerk of the House of Representatives

Approved .....

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Governor