

Act No. 475  
Public Acts of 2006  
Approved by the Governor  
December 20, 2006  
Filed with the Secretary of State  
December 21, 2006  
EFFECTIVE DATE: December 21, 2006

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

**Introduced by Senators Olshove, Allen, Goschka, Barcia and Birkholz**

# **ENROLLED SENATE BILL No. 584**

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," by amending section 8a (MCL 125.2688a), as amended by 2006 PA 440.

*The People of the State of Michigan enact:*

Sec. 8a. (1) Except as provided in subsections (2), (3), and (4), the board shall not designate more than 9 additional renaissance zones within this state under this section. Not more than 6 of the renaissance zones shall be located in urban areas and not more than 5 of the renaissance zones shall be located in rural areas. For purposes of determining whether a renaissance zone is located in an urban area or rural area under this section, if any part of a renaissance zone is located within an urban area, the entire renaissance zone shall be considered to be located in an urban area.

(2) The board of the Michigan strategic fund described in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, may designate not more than 10 additional renaissance zones 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 within their boundaries. The board of the Michigan strategic fund may designate not more than 1 of the 10 additional renaissance zones described in this subsection as an alternative energy zone. An alternative energy zone shall promote and increase the research, development, testing, and manufacturing of alternative energy technology, alternative energy systems, and alternative energy vehicles, as those terms are defined in the Michigan

next energy authority act, 2002 PA 593, MCL 207.821 to 207.827. An alternative energy zone shall have a duration of renaissance zone status for a period not to exceed 20 years as determined by the board of the Michigan strategic fund. Not later than April 16, 2004, the board of the Michigan strategic fund may designate not more than 1 of the 10 additional renaissance zones described in this subsection as a pharmaceutical renaissance zone. A pharmaceutical renaissance zone shall promote and increase the research, development, and manufacturing of pharmaceutical products of an eligible pharmaceutical company. The board of the Michigan strategic fund may designate not more than 5 of the additional 10 renaissance zones described in this subsection as a redevelopment renaissance zone. A redevelopment renaissance zone shall promote the redevelopment of existing industrial facilities. Before designating a renaissance zone under this subsection, the board of the Michigan strategic fund may enter into a development agreement with the city, township, or village in which the renaissance zone will be located.

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

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

(5) Notwithstanding any other provision of this act, property located in the alternative energy zone that is classified as commercial real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the concurrence of the assessor of the local tax collecting unit, determines is not used to directly promote and increase the research, development, testing, and manufacturing of alternative energy technology, alternative energy systems, and alternative energy vehicles as those terms are defined in the Michigan next energy authority act, 2002 PA 593, MCL 207.821 to 207.827, is not eligible for any exemption, deduction, or credit under section 9.

(6) As used in this section:

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

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

(ii) Has not less than 8,499 employees located in this state, all of whom are located within a 100-mile radius of each other.

(iii) Of the total number of employees located in this state, has not less than 4,800 engaged primarily in research and development of pharmaceuticals.

(b) "Redevelopment renaissance zone" means a renaissance zone that meets 1 of the following:

(i) All of the following:

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

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

(ii) All of the following:

(A) Is located in a city with a population of more than 13,000 and less than 14,000 and is located in a county with a population of more than 1,000,000 and less than 1,300,000.

(B) Contains an industrial site of 300 or more contiguous acres.

(iii) All of the following:

(A) Is located in a township with a population of more than 5,500 and is located in a county with a population of less than 24,000.

(B) Contains an industrial site of more than 850 acres and has railroad access.

(iv) All of the following:

(A) Is located in a city with a population of more than 40,000 and less than 44,000 and is located in a county with a population of more than 81,000 and less than 87,000.

(B) Contains an industrial site of more than 475 acres.

(v) All of the following:

(A) Is located in a city with a population of more than 21,000 and less than 26,000 and is located in a county with a population of more than 573,000 and less than 625,000.

(B) Contains an industrial site of less than 45 acres in size.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Sam E. Randall

Clerk of the House of Representatives

Approved \_\_\_\_\_

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Governor