Legislative Analysis



Mitchell Bean, Director Phone: (517) 373-8080 http://www.house.mi.gov/hfa

RENAISSANCE ZONES: INCLUDE ENERGY FROM AGRICULTURAL CROPS & PRODUCTS

House Bill 5100 (with committee amendment)

Sponsor: Rep. Jeff Mayes Committee: Agriculture

Complete to 9-11-07

A SUMMARY OF HOUSE BILL 5100 AS REPORTED FROM COMMITTEE

The bill would amend the definition of "renewable energy facility" in the Michigan Renaissance Zone Act. Currently, "renewable energy facility" means a system creating energy from any of the following materials:

- Residues from agricultural products, forest products, paper products industries, and food production and processing.
- Trees and grasses grown specifically to be used as energy crops.
- Gaseous fuels produced from solid biomass, animal wastes, or landfills.

The bill would add **agricultural crops** or **processed products from agricultural crops** to the list of materials that could be used to produce energy in a renewable energy facility under the Renaissance Zone Act.

MCL 125.2683(k)

FISCAL IMPACT:

The fiscal impact depends on the extent to which additional areas would be designated renaissance zones. Taxpayers in the renaissance zones are exempt from state and local property, income, and business taxes.

POSITIONS:

The Michigan Economic Development Corporation (MEDC) testified in favor of the bill. (9-6-07)

The Department of Agriculture indicated support for the bill. (9-6-07)

Liberty Renewable Fuels testified in favor of the bill. (9-6-07)

Michigan Farm Bureau indicated support for the bill. (9-6-07)

Legislative Analyst: Shannan Kane Fiscal Analyst Rebecca Ross

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.