

Legislative Analysis



GREEN CHEMISTRY

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House Bills 4817 (Substitute H-1)
Sponsor: Rep. Ellen Cogen Lipton

House Bill 4818 (Substitute H-1)
Sponsor: Rep. Deb Kennedy

House Bill 4819 (Substitute H-1)
Sponsor: Rep. Dan Scripps

Committee: New Economy and Quality of Life

Complete to 5-18-09

A SUMMARY OF HOUSE BILLS 4817-4819 AS REPORTED FROM COMMITTEE

The bills would amend statutes dealing with state economic development programs focusing on high technology and on new and developing energy sectors in order to make enterprises engaged in the development of "green chemistry" eligible for grants, tax credits, and other benefits that are available to participants in the programs.

The term "green chemistry" would refer to *chemistry and chemical engineering to design chemical products or processes that reduce or eliminate the use or generation of hazardous substances, while producing high-quality products, through safe and efficient manufacturing processes*. The definition also says that green chemistry is guided by 12 principles of green chemistry, and they are listed in the bills.

House Bills 4817 and 4819 both amend the Michigan Strategic Fund Act. House Bill 4817 would place the definition of "green chemistry" in the act; would include *technologies using green chemistry as a design guidance* in the definition of "competitive edge technology"; and would include a firm that *uses green chemistry as a design guidance* under the definition of "research and development enterprise."

House Bill 4819 would amend a section of the MSF Act creating the Centers of Energy Excellence Program, which aims to promote the development, acceleration, and sustainability of new and developing sectors in the energy field. The bill would include *green chemistry related to the development of energy excellence sectors* within the definition of "energy field" for the purposes of this program. The program makes state grants available to companies as part of the Michigan 21st Century Jobs Fund Initiative.

House Bill 4818 would amend the Michigan Economic Growth Authority Act to include "green chemistry" under the definition of high-technology activity for the purpose of receiving MEGA tax credits against the Michigan Business Tax.

FISCAL IMPACT:

A fiscal analysis is in process.

POSITIONS:

The following indicated support for the bills at the New Economy and Quality of Life Committee meeting on 5-13-09:

The Michigan Economic Development Corporation (MEDC)

The Dow Chemical Corporation

Dow Corning Corporation

Clean Water Action

The Ecology Center and Michigan Network for Children's Environmental Health

The Michigan Chemistry Council

BioSolutions

Chemfree Solutions, Inc.

Michigan State University

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■ 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.