

SENATE BILL No. 430

June 13, 2013, Introduced by Senators CASPERSON, COLBECK, ROBERTSON, PAVLOV, BRANDENBURG, JONES, GREEN, KOWALL and PAPPAGEORGE and referred to the Committee on Economic Development.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 3 (MCL 125.2683), as amended by 2010 PA 277,
and by adding section 8i.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:

2 (a) "Agricultural processing facility" means 1 or more
3 facilities or operations that transform, package, sort, or grade
4 livestock or livestock products, agricultural commodities, or
5 plants or plant products, excluding forest products, into goods
6 that are used for intermediate or final consumption including goods
7 for nonfood use, and surrounding property.

8 (b) "ARMS-RELATED MANUFACTURING FACILITY" MEANS 1 OR MORE
9 FACILITIES OR OPERATIONS THAT MANUFACTURE OR ASSEMBLE FIREARMS,

1 AMMUNITION, OR FIREARM ACCESSORIES IN THIS STATE.

2 (C) "ARMS-RELATED MANUFACTURING RENAISSANCE ZONE" MEANS AN
3 ARMS-RELATED MANUFACTURING RENAISSANCE ZONE CREATED UNDER SECTION
4 8I.

5 (D) ~~(b)~~ "Board" means the state administrative board created
6 in 1921 PA 2, MCL 17.1 to 17.3.

7 (E) ~~(e)~~ "Border crossing facility" means a business that is 1
8 or more of the following as determined by the board of the Michigan
9 strategic fund:

10 (i) That was located in a qualified border local governmental
11 unit as defined in section 8g and was displaced or otherwise
12 negatively affected by the development of the international border
13 crossing and is unable to recover from the displacement or negative
14 effect without the establishment of a renaissance zone.

15 (ii) That is associated with international trade, shipping, or
16 freight hauling, including, but not limited to, all of the
17 following:

18 (A) Customs brokers.

19 (B) Distribution centers.

20 (C) Truck supply and repair.

21 (F) ~~(d)~~ "Development plan" means a written plan that addresses
22 the criteria in section 7 and includes all of the following:

23 (i) A map of the proposed renaissance zone that indicates the
24 geographic boundaries, the total area, and the present use and
25 conditions generally of the land and structures within those
26 boundaries.

27 (ii) Evidence of community support and commitment from

1 residential and business interests.

2 (iii) A description of the methods proposed to increase economic
3 opportunity and expansion, facilitate infrastructure improvement,
4 and identify job training opportunities.

5 (iv) Current social, economic, and demographic characteristics
6 of the proposed renaissance zone and anticipated improvements in
7 education, health, human services, public safety, and employment if
8 the renaissance zone is created.

9 (v) Any other information required by the board.

10 (G) ~~(e)~~—"Elected county executive" means the elected county
11 executive in a county organized under 1966 PA 293, MCL 45.501 to
12 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

13 (H) ~~(f)~~—"Eligible next Michigan business" means a business
14 engaged in the shipment of tangible personal property via
15 multimodal commerce; a supply chain business providing a majority
16 of its services to businesses engaged in the shipment of tangible
17 personal property, including inventory, via multimodal commerce; a
18 manufacturing or assembly facility receiving a majority of its
19 production components via multimodal commerce; a manufacturing or
20 assembly facility shipping a majority of products via multimodal
21 commerce; or a light manufacturing or assembly facility that
22 packages, kits, labels, or customizes products and ships those
23 products via multimodal commerce.

24 (I) ~~(g)~~—"Forest products processing facility" means 1 or more
25 facilities or operations that transform, package, sort, recycle, or
26 grade forest or paper products into goods that are used for
27 intermediate or final use or consumption or for the creation of

1 biomass or alternative fuels through the utilization of forest
2 products or forest residue, and surrounding property. Forest
3 products processing facility does not include an existing facility
4 or operation that is located in this state that relocates to a
5 renaissance zone for a forest products processing facility. Forest
6 products processing facility does not include a facility or
7 operation that engages primarily in retail sales.

8 (J) ~~(h)~~ "Local governmental unit" means a county, city,
9 village, township, or, for taxes levied after 2009, any other
10 taxing jurisdiction that levies an ad valorem property tax.

11 (K) ~~(i)~~ "Multimodal commerce" means the movement of products
12 or services via 2 or more of the following:

13 (i) Air.

14 (ii) Road.

15 (iii) Rail.

16 (iv) Water.

17 (L) ~~(j)~~ "Next Michigan development corporation" means that term
18 as defined in section 3 of the next Michigan development act, 2010
19 PA 275, MCL 125.2953.

20 (M) ~~(k)~~ "Next Michigan development district" means that term
21 as defined in section 3 of the next Michigan development act, 2010
22 PA 275, MCL 125.2953.

23 (N) ~~(l)~~ "Next Michigan renaissance zone" means a renaissance
24 zone created under section 8h.

25 (O) ~~(m)~~ "Person" means an individual, partnership,
26 corporation, association, limited liability company, governmental
27 entity, or other legal entity.

1 (P) ~~(n)~~—"Qualified eligible next Michigan business" means an
2 eligible next Michigan business that has been certified in
3 accordance with section 8h.

4 (Q) ~~(e)~~—"Qualified local governmental unit" means either of
5 the following:

6 (i) A county.

7 (ii) A city, village, or township that contains an eligible
8 distressed area as defined in section 11 of the state housing
9 development authority act of 1966, 1966 PA 346, MCL 125.1411.

10 (R) ~~(p)~~—"Recovery zone" means a tool and die renaissance
11 recovery zone created in section 8d.

12 (S) ~~(q)~~—"Renaissance zone" means a geographic area designated
13 under this act.

14 (T) ~~(r)~~—"Renewable energy facility" means a facility that
15 creates energy, fuels, or chemicals directly from the wind, the
16 sun, trees, grasses, biosolids, algae, agricultural commodities,
17 processed products from agricultural commodities, or residues from
18 agricultural processes, wood or forest processes, food production
19 and processing, or the paper products industry. Renewable energy
20 facility also includes a facility that creates energy, fuels, or
21 chemicals from solid biomass, animal wastes, or landfill gases.
22 Renewable energy facility also includes a facility that focuses on
23 research, development, or manufacturing of systems or components of
24 systems used to create energy, fuel, or chemicals from the items
25 described in this subdivision. Renewable energy facility also
26 includes a facility that focuses on research, development, or
27 manufacturing of systems or components of systems that involve the

conversion of chemical energy for advanced battery technology.

(U) ~~(s)~~—"Residential rental property" means that term as defined in section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff.

(V) ~~(t)~~—"Review board" means the renaissance zone review board created in section 5.

(W) ~~(u)~~—"Rural area" means an area that lies outside of the boundaries of an urban area.

(X) ~~(v)~~—"Urban area" means an urbanized area as determined by the economics and statistics administration, United States bureau of the census according to the 1990 census.

SEC. 8I. (1) 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 UP TO 5 ARMS-RELATED MANUFACTURING RENAISSANCE ZONES FOR ARMS-RELATED MANUFACTURING 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 AN ARMS-RELATED MANUFACTURING RENAISSANCE ZONE FOR AN ARMS-RELATED MANUFACTURING FACILITY WITHIN THEIR BOUNDARIES. AN ARMS-RELATED MANUFACTURING RENAISSANCE ZONE FOR AN ARMS-RELATED MANUFACTURING FACILITY SHALL HAVE A DURATION OF RENAISSANCE ZONE STATUS FOR A PERIOD OF 15 YEARS.

(2) EACH ARMS-RELATED MANUFACTURING RENAISSANCE ZONE DESIGNATED FOR AN ARMS-RELATED MANUFACTURING FACILITY UNDER THIS SECTION SHALL BE 1 CONTINUOUS DISTINCT GEOGRAPHIC AREA.

(3) THE BOARD MAY REVOKE THE DESIGNATION OF ALL OR A PORTION OF AN ARMS-RELATED MANUFACTURING RENAISSANCE ZONE FOR AN ARMS-

1 RELATED MANUFACTURING FACILITY IF THE BOARD DETERMINES THAT THE
2 ARMS-RELATED MANUFACTURING FACILITY DOES 1 OR MORE OF THE FOLLOWING
3 IN AN ARMS-RELATED MANUFACTURING RENAISSANCE ZONE DESIGNATED UNDER
4 THIS SECTION:

5 (A) FAILS TO COMMENCE OPERATION.

6 (B) CEASES OPERATION.

7 (C) FAILS TO COMMENCE CONSTRUCTION OR RENOVATION WITHIN 1 YEAR
8 FROM THE DATE THE ARMS-RELATED MANUFACTURING RENAISSANCE ZONE FOR
9 THE ARMS-RELATED MANUFACTURING FACILITY IS DESIGNATED.

10 (4) THE BOARD SHALL CONSIDER ALL OF THE FOLLOWING WHEN
11 DESIGNATING AN ARMS-RELATED MANUFACTURING RENAISSANCE ZONE FOR AN
12 ARMS-RELATED MANUFACTURING FACILITY:

13 (A) THE ECONOMIC IMPACT ON LOCAL SUPPLIERS WHO SUPPLY RAW
14 MATERIALS, GOODS, AND SERVICES TO THE ARMS-RELATED MANUFACTURING
15 FACILITY.

16 (B) THE CREATION OF JOBS RELATIVE TO THE EMPLOYMENT BASE OF
17 THE COMMUNITY RATHER THAN THE STATIC NUMBER OF JOBS CREATED.

18 (C) THE VIABILITY OF THE PROJECT.

19 (D) THE ECONOMIC IMPACT ON THE COMMUNITY IN WHICH THE ARMS-
20 RELATED MANUFACTURING FACILITY IS LOCATED.

21 (5) THE BOARD SHALL REQUIRE A DEVELOPMENT AGREEMENT BETWEEN
22 THE MICHIGAN STRATEGIC FUND AND THE ARMS-RELATED MANUFACTURING
23 FACILITY.

24 (6) AS USED IN THIS SECTION, "DEVELOPMENT AGREEMENT" MEANS A
25 WRITTEN AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND THE ARMS-
26 RELATED MANUFACTURING FACILITY THAT INCLUDES, BUT IS NOT LIMITED
27 TO, ALL OF THE FOLLOWING:

1 (A) A REQUIREMENT THAT THE ARMS-RELATED MANUFACTURING FACILITY
2 COMPLY WITH ALL STATE AND LOCAL LAWS.

3 (B) A REQUIREMENT THAT THE ARMS-RELATED MANUFACTURING FACILITY
4 REPORT ANNUALLY TO THE MICHIGAN STRATEGIC FUND ON ALL OF THE
5 FOLLOWING:

6 (i) THE AMOUNT OF CAPITAL INVESTMENT MADE AT THE FACILITY.

7 (ii) THE NUMBER OF INDIVIDUALS EMPLOYED AT THE FACILITY AT THE
8 BEGINNING AND END OF THE REPORTING PERIOD AS WELL AS THE NUMBER OF
9 INDIVIDUALS TRANSFERRED TO THE FACILITY FROM ANOTHER FACILITY OWNED
10 BY THE ARMS-RELATED MANUFACTURING FACILITY.

11 (iii) THE PERCENTAGE OF RAW MATERIALS PURCHASED IN THIS STATE.

12 (C) ANY OTHER CONDITIONS OR REQUIREMENTS REASONABLY REQUIRED
13 BY THE MICHIGAN STRATEGIC FUND.