

HOUSE BILL No. 4471

April 16, 2015, Introduced by Reps. Townsend, Derek Miller, Irwin, Hoadley, LaVoy, Schor, Hovey-Wright and Driskell and referred to the Committee on Tax Policy.

A bill to amend 1995 PA 24, entitled
"Michigan economic growth authority act,"
by amending section 10 (MCL 207.810), as amended by 2009 PA 125,
and by adding section 11.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10. (1) ~~The BEGINNING OCTOBER 1, 2015 AND EACH YEAR~~
2 **THEREAFTER, THE** authority **OR ITS SUCCESSOR** shall report to both
3 houses ~~EACH MEMBER~~ of the legislature, ~~yearly on October 1 on the~~
4 ~~activities of the authority. Beginning October 1, 2009, and each~~
5 ~~year thereafter, the authority shall also report to the chairperson~~
6 ~~of the senate appropriations committee, the chairperson of the~~
7 ~~senate finance committee, the chairperson of the house of~~
8 ~~representatives appropriations committee, the chairperson of the~~
9 ~~house of representatives tax policy committee, and the directors of~~
10 ~~the senate and house fiscal agencies. The authority shall also~~

~~report to the chairperson or director upon written request from the~~
~~chairperson or director. THE GOVERNOR, THE HOUSE FISCAL AGENCY, THE~~
~~SENATE FISCAL AGENCY, AND THE AUDITOR GENERAL.~~ The report shall
include, but is not limited to, all of the following **INFORMATION**
PERTAINING TO WRITTEN AGREEMENTS WITH AUTHORIZED BUSINESSES AND
CERTIFICATED CREDITS ISSUED UNDER SECTION 430, 431, 431A, 431B,
431C, 432, 434, OR 450 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA
36, MCL 208.1430, 208.1431, 208.1431A, 208.1431B, 208.1431C,
208.1432, 208.1434, AND 208.1450:

(a) The total amount of capital investment attracted under
this act **BY TAX YEAR AND BROKEN OUT BY THE TYPE OF CERTIFICATED**
CREDIT.

(b) The total number, **AND THE AVERAGE WAGES AND BENEFITS,** of
qualified new jobs created under this act **BY TAX YEAR AND BROKEN**
OUT BY THE TYPE OF CERTIFICATED CREDIT.

~~(c) The total number of new written agreements.~~ **THE TOTAL**
NUMBER, AND THE AVERAGE WAGES AND BENEFITS, OF QUALIFIED JOBS
RETAINED UNDER THIS ACT BY TAX YEAR AND BROKEN OUT BY THE TYPE OF
CERTIFICATED CREDIT.

(D) THE TOTAL NUMBER AND THE AGGREGATE MINIMUM AND MAXIMUM
AMOUNT OF CERTIFICATED CREDITS THAT COULD HAVE BEEN QUALIFIED FOR
AND ISSUED BY TAX YEAR AND BROKEN OUT BY THE TYPE OF CERTIFICATED
CREDIT.

(E) THE ACTUAL NUMBER AND AGGREGATE AMOUNT OF CERTIFICATED
CREDITS THAT WERE ISSUED BY TAX YEAR AND BROKEN OUT BY THE TYPE OF
CERTIFICATED CREDIT.

(F) ~~(d)~~ Name and location of all authorized businesses and the

1 names and addresses of all of the following:

2 (i) The directors and officers of the corporation if the
3 authorized business is a corporation.

4 (ii) The partners of the partnership or limited liability
5 partnership if the authorized business is a partnership or limited
6 liability partnership. **IF A PARTNER OF A PARTNERSHIP OR LIMITED**
7 **LIABILITY PARTNERSHIP IS A CORPORATION, THE DIRECTORS AND OFFICERS**
8 **OF THE CORPORATION.**

9 (iii) The members of the limited liability company if the
10 authorized business is a limited liability company. **IF A MEMBER OF**
11 **AN AUTHORIZED LIMITED LIABILITY COMPANY IS A CORPORATION, THE**
12 **DIRECTORS AND OFFICERS OF THE CORPORATION.**

13 ~~—— (e) The amount and duration of the tax credit separately for~~
14 ~~each authorized business.~~

15 ~~—— (f) The number of jobs required under the written agreement to~~
16 ~~be created or retained for each authorized business to be eligible~~
17 ~~for the tax credits under the written agreement including the~~
18 ~~maximum number of jobs which can be utilized to calculate the~~
19 ~~credit for each authorized business under the written agreement.~~

20 (G) ALL OF THE FOLLOWING INFORMATION PERTAINING TO EACH
21 WRITTEN AGREEMENT WITH AN AUTHORIZED BUSINESS:

22 (i) THE NAME AND ADDRESS OF THE AUTHORIZED BUSINESS, THE
23 QUALIFIED FACILITIES THE WRITTEN AGREEMENT APPLIES TO, AND THE
24 DURATION OF THE WRITTEN AGREEMENT.

25 (ii) THE NUMBER OF QUALIFIED JOBS REQUIRED TO BE CREATED OR
26 RETAINED FOR EACH AUTHORIZED BUSINESS TO BE ELIGIBLE FOR
27 CERTIFICATED CREDITS UNDER THE WRITTEN AGREEMENT, INCLUDING THE

1 MAXIMUM NUMBER OF QUALIFIED NEW OR RETAINED JOBS WHICH CAN BE
2 UTILIZED TO CALCULATE THE AMOUNT OF CERTIFICATED CREDITS UNDER THE
3 WRITTEN AGREEMENT.

4 (iii) THE AMOUNT OF CAPITAL INVESTMENT TO BE ATTRACTED UNDER THE
5 WRITTEN AGREEMENT FOR EACH AUTHORIZED BUSINESS TO BE ELIGIBLE FOR
6 CERTIFICATED CREDITS UNDER THE WRITTEN AGREEMENT, INCLUDING THE
7 MAXIMUM AMOUNT OF CAPITAL INVESTMENT WHICH CAN BE UTILIZED TO
8 CALCULATE THE AMOUNT OF CERTIFICATED CREDITS UNDER THE WRITTEN
9 AGREEMENT.

10 (iv) THE MINIMUM AND MAXIMUM ESTIMATED VALUE OF CERTIFICATED
11 CREDITS UNDER THE WRITTEN AGREEMENT.

12 (v) THE ACTUAL NUMBER OF QUALIFIED NEW JOBS CREATED OR
13 RETAINED BY TAX YEAR UNDER THE WRITTEN AGREEMENT.

14 (vi) THE ACTUAL AMOUNT OF CAPITAL INVESTMENT ATTRACTED BY TAX
15 YEAR UNDER THE WRITTEN AGREEMENT.

16 (vii) WHETHER OR NOT THE AUTHORIZED BUSINESS QUALIFIED FOR A
17 CERTIFICATED CREDIT FOR EACH TAX YEAR UNDER THE WRITTEN AGREEMENT.

18 (H) ~~(g)~~—The amount of any fee, donation, or other payment of
19 any kind from the authorized business, **ITS OFFICERS, BOARD MEMBERS,**
20 **PARTNERS, OR OWNERS,** to the Michigan economic development
21 corporation or a foundation or fund associated with the Michigan
22 economic development corporation paid or made in the previous
23 reporting year end or, if it is the first reporting year for the
24 authorized business, for the immediately preceding 3 calendar
25 years.

26 ~~—— (h) The total number of written agreements and the total~~
27 ~~capital investment required or otherwise anticipated for the credit~~

~~under written agreements entered into under section 8(5) or (9) and, of those written agreements, the number in which the board determined that it was in the public interest to waive 1 or more of the requirements of section 8(1).~~

~~—— (i) For each written agreement with each authorized business, the actual number of jobs created or retained for the most recent period that information is available and all previous years under the written agreement, the total capital investment at that facility for tax credits authorized under section 8(5) or (9) for that year and all previous years under the written agreement, and the total value of the tax credits received under that written agreement for that year and all previous years under the written agreement.~~

~~—— (j) A copy of each certificate issued under section 431, 431a, 431b, or 431c of the Michigan business tax act, 2007 PA 36, MCL 208.1431, 208.1431a, 208.1431b, and 208.1431c.~~

(2) A review and comments concerning the report shall be included in the auditor general's postaudit of the authority **AND ITS SUCCESSOR.**

SEC. 11. (1) AS PERMITTED UNDER SECTION 28 OF 1941 PA 122, MCL 205.28, AND BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, THE AUTHORITY OR ITS SUCCESSOR SHALL SUBMIT A COPY OF EACH CERTIFICATED CREDIT ISSUED UNDER SECTION 430, 431, 431A, 431B, 431C, 432, 434, OR 450 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1430, 208.1431, 208.1431A, 208.1431B, 208.1431C, 208.1432, 208.1434, AND 208.1450, TO THE HOUSE FISCAL AGENCY, THE SENATE FISCAL AGENCY, AND THE DEPARTMENT OF TREASURY BY

1 THE TENTH DAY OF EACH MONTH FOR THE IMMEDIATELY PRECEDING MONTH.

2 (2) AS PERMITTED UNDER SECTION 28 OF 1941 PA 122, MCL 205.28,
3 WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
4 ADDED THIS SECTION, THE AUTHORITY OR ITS SUCCESSOR SHALL SUBMIT A
5 DETAILED LIST OF EACH CERTIFICATED CREDIT ISSUED UNDER SECTION 430,
6 431, 431A, 431B, 431C, 432, 434, OR 450 OF THE MICHIGAN BUSINESS
7 TAX ACT, 2007 PA 36, MCL 208.1430, 208.1431, 208.1431A, 208.1431B,
8 208.1431C, 208.1432, 208.1434, AND 208.1450, TO THE HOUSE FISCAL
9 AGENCY, THE SENATE FISCAL AGENCY, AND THE DEPARTMENT OF TREASURY.
10 THIS DETAILED LIST SHALL INCLUDE, BUT IS NOT LIMITED TO, THE NAME
11 OF THE AUTHORIZED BUSINESS THAT RECEIVED THE CERTIFICATED CREDIT,
12 THE CERTIFICATE NUMBER, THE DATE THE CERTIFICATE WAS ISSUED TO THE
13 AUTHORIZED BUSINESS, THE TAX YEAR TO WHICH THE CERTIFICATE APPLIES,
14 AND THE AMOUNT OF THE CERTIFICATE.

15 (3) THE AUTHORITY OR ITS SUCCESSOR SHALL RELEASE ADDITIONAL
16 INFORMATION PERTAINING TO EACH CERTIFICATED CREDIT ISSUED UNDER
17 SECTION 430, 431, 431A, 431B, 431C, 432, 434, OR 450 OF THE
18 MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1430, 208.1431,
19 208.1431A, 208.1431B, 208.1431C, 208.1432, 208.1434, AND 208.1450,
20 AT THE REQUEST OF THE DIRECTOR OF THE HOUSE FISCAL AGENCY OR THE
21 DIRECTOR OF THE SENATE FISCAL AGENCY IN ACCORDANCE WITH THE HOUSE
22 FISCAL AGENCY'S AND SENATE FISCAL AGENCY'S RESPONSIBILITY TO
23 ESTABLISH OFFICIAL ECONOMIC FORECASTS PURSUANT TO SECTIONS 367A TO
24 367F OF THE MANAGEMENT AND BUDGET ACT, 1984 PA 341, MCL 18.1367A TO
25 18.1367F.

26 (4) AS PERMITTED UNDER SECTION 28 OF 1941 PA 122, MCL 205.28,
27 AND BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT

1 ADDED THIS SECTION, THE AUTHORITY OR ITS SUCCESSOR SHALL REPORT TO
2 MEMBERS OF THE LEGISLATURE AND THE GOVERNOR BY THE TENTH DAY OF
3 EACH MONTH FOR THE IMMEDIATELY PRECEDING MONTH ALL OF THE FOLLOWING
4 INFORMATION PERTAINING TO EACH CERTIFICATED CREDIT ISSUED UNDER
5 SECTION 430, 431, 431A, 431B, 431C, 432, 434, OR 450 OF THE
6 MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1430, 208.1431,
7 208.1431A, 208.1431B, 208.1431C, 208.1432, 208.1434, AND 208.1450:

8 (A) THE TOTAL NUMBER OF CERTIFICATED CREDITS BROKEN OUT BY THE
9 TYPE OF CERTIFICATED CREDIT.

10 (B) THE TOTAL VALUE OF THE CERTIFICATED CREDITS BROKEN OUT BY
11 THE TYPE OF CERTIFICATED CREDIT.

12 (C) THE TOTAL AMOUNT OF CAPITAL INVESTMENT ATTRACTED UNDER THE
13 CERTIFICATED CREDITS BROKEN OUT BY THE TYPE OF CERTIFICATED TAX
14 CREDIT.

15 (D) THE TOTAL NUMBER, AND THE AVERAGE WAGES AND BENEFITS, OF
16 QUALIFIED NEW JOBS CREATED UNDER THE CERTIFICATED TAX CREDITS
17 BROKEN OUT BY THE TYPE OF CERTIFICATED TAX CREDIT.

18 (E) THE TOTAL NUMBER, AND THE AVERAGE WAGES AND BENEFITS, OF
19 QUALIFIED JOBS TO BE RETAINED UNDER THE CERTIFICATED CREDITS BROKEN
20 OUT BY THE TYPE OF CERTIFICATED CREDIT.

21 (5) AS PERMITTED UNDER SECTION 28 OF 1941 PA 122, MCL 205.28,
22 WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
23 ADDED THIS SECTION, THE AUTHORITY OR ITS SUCCESSOR SHALL PROVIDE
24 MEMBERS OF THE LEGISLATURE, THE GOVERNOR, THE HOUSE FISCAL AGENCY,
25 THE SENATE FISCAL AGENCY, AND THE AUDITOR GENERAL WITH A DETAILED
26 REPORT LISTING ALL AMENDMENTS OR MODIFICATIONS APPROVED BY THE
27 AUTHORITY OR ITS SUCCESSOR TO EXISTING WRITTEN AGREEMENTS WITH

1 AUTHORIZED BUSINESSES FOR CERTIFICATED CREDITS UNDER SECTION 430,
2 431, 431A, 431B, 431C, 432, 434, OR 450 OF THE MICHIGAN BUSINESS
3 TAX ACT, 2007 PA 36, MCL 208.1430, 208.1431, 208.1431A, 208.1431B,
4 208.1431C, 208.1432, 208.1434, AND 208.1450. THIS DETAILED REPORT
5 SHALL INCLUDE THE DATE THE AMENDMENT OR MODIFICATION WAS APPROVED
6 BY THE AUTHORITY OR ITS SUCCESSOR, THE NAME OF THE AUTHORIZED
7 BUSINESS, A DETAILED DESCRIPTION OF THE AMENDMENT OR MODIFICATION,
8 INCLUDING, BUT NOT LIMITED TO, THE AMENDMENT'S OR MODIFICATION'S
9 IMPACT ON THAT AUTHORIZED BUSINESS'S ABILITY TO QUALIFY FOR A
10 CERTIFICATED CREDIT, AND THE REAL OR ESTIMATED VALUE OF THE
11 CERTIFICATED CREDITS THAT HAVE BEEN ISSUED, OR MAY BE APPLIED FOR
12 UNDER THAT AMENDED OR MODIFIED AGREEMENT. A REVIEW AND COMMENTS
13 CONCERNING THIS REPORT SHALL BE INCLUDED IN THE AUDITOR GENERAL'S
14 POSTAUDIT OF THE AUTHORITY OR ITS SUCCESSOR. THE AUTHORITY OR ITS
15 SUCCESSOR SHALL RELEASE ADDITIONAL INFORMATION PERTAINING TO THE
16 AMENDED OR MODIFIED AGREEMENTS AT THE REQUEST OF INDIVIDUALS LISTED
17 IN THIS SUBSECTION.