



HOUSE BILL No. 4786

May 4, 1995, Introduced by Rep. Dolan and referred to the Committee on Urban Policy.

A bill to amend Act No. 206 of the Public Acts of 1893,
entitled as amended
"The general property tax act,"
as amended, being sections 211.1 to 211.157 of the Michigan
Compiled Laws, by adding sections 7ff and 9f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 206 of the Public Acts of 1893, as
2 amended, being sections 211.1 to 211.157 of the Michigan Compiled
3 Laws, is amended by adding sections 7ff and 9f to read as
4 follows:

5 SEC. 7FF. (1) A LOCAL TAX COLLECTING UNIT MAY EXEMPT IN
6 WHOLE OR IN PART ENVIRONMENTALLY CONTAMINATED PROPERTY THAT IS
7 INCLUDED ON THE LIST DESCRIBED IN SUBSECTION (2) AND ANY
8 ADDITIONS OR IMPROVEMENTS TO THAT PROPERTY AS PROVIDED IN
9 SUBSECTION (3) FROM TAXATION UNDER THIS ACT FOR NOT MORE THAN 10

1 YEARS IF THERE IS NO KNOWN RESPONSIBLE PARTY OR NO SOLVENT
2 RESPONSIBLE PARTY.

3 (2) IN 1995 AND EACH YEAR AFTER 1995, THE DEPARTMENT OF NAT-
4 URAL RESOURCES AND THE MICHIGAN JOBS COMMISSION SHALL JOINTLY
5 DEVELOP ON OR BEFORE DECEMBER 31 A LIST OF 50 SITES OF ENVIRON-
6 MENTALLY CONTAMINATED PROPERTY CLASSIFIED AS INDUSTRIAL REAL
7 PROPERTY OR COMMERCIAL REAL PROPERTY UNDER SECTION 34C ELIGIBLE
8 FOR THE EXEMPTION PROVIDED IN SUBSECTION (1). A SITE OF ENVIRON-
9 MENTALLY CONTAMINATED PROPERTY DETERMINED UNDER THIS SUBSECTION
10 MAY INCLUDE 1 OR MORE ADJACENT AND CONTIGUOUS PARCELS OF REAL
11 PROPERTY. THE DEPARTMENT OF NATURAL RESOURCES AND THE MICHIGAN
12 JOBS COMMISSION SHALL CONSIDER THE FOLLOWING CRITERIA IN DEVELOP-
13 ING THE LIST DESCRIBED IN THIS SUBSECTION:

14 (A) THE ABSENCE OF ANY KNOWN RESPONSIBLE PARTY OR ANY SOL-
15 VENT RESPONSIBLE PARTY.

16 (B) POSSIBLE DANGER TO THE PUBLIC HEALTH, SAFETY, AND WEL-
17 FARE, OR TO THE ENVIRONMENT IF THE ENVIRONMENTAL CONTAMINATION
18 EXISTING ON THE PROPERTY IS NOT ABATED.

19 (C) THE ESTIMATED RESPONSE ACTIVITY COSTS TO ABATE THE ENVI-
20 RONMENTAL CONTAMINATION EXISTING ON THE PROPERTY.

21 (D) THE POTENTIAL FOR ECONOMIC DEVELOPMENT AND JOB CREATION
22 IF THE CONTAMINATION EXISTING ON THE PROPERTY AND THE EXEMPTION
23 PROVIDED IN SUBSECTION (1) IS GRANTED.

24 (3) A LOCAL TAX COLLECTING UNIT MAY NEGOTIATE AN AGREEMENT
25 TO EXEMPT PROPERTY UNDER SUBSECTION (1) AND SECTION 9F WITH 1 OR
26 MORE PERSONS PROPOSING TO ABATE THE ENVIRONMENTAL CONTAMINATION
27 AND REDEVELOP THE PROPERTY, EXCEPT A PERSON RESPONSIBLE FOR THE

1 ENVIRONMENTAL CONTAMINATION. THE AGREEMENT SHALL INCLUDE THE
2 FOLLOWING PROVISIONS:

3 (A) A DETAILED DESCRIPTION OF THE REAL PROPERTY EXEMPTED
4 UNDER THIS SECTION.

5 (B) A DETAILED DESCRIPTION OF ALL PERSONAL PROPERTY EXEMPTED
6 UNDER SECTION 9F.

7 (C) THE EXTENT OF THE EXEMPTION.

8 (D) THE PERIOD OF THE EXEMPTION.

9 (E) A DETAILED DESCRIPTION OF THE PROPOSED ABATEMENT
10 ACTIVITIES.

11 (F) A DETAILED DESCRIPTION OF THE PROPOSED REDEVELOPMENT
12 ACTIVITIES.

13 (G) A STATEMENT THAT AN EXEMPTION PROVIDED UNDER THIS SEC-
14 TION COMMENCES WHEN THE DEPARTMENT OF NATURAL RESOURCES APPROVES
15 A REMEDIAL ACTION PLAN.

16 (4) THE AGREEMENT NEGOTIATED UNDER SUBSECTION (3) MAY
17 INCLUDE THE FOLLOWING:

18 (A) ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.

19 (B) RIGHTS OF ENFORCEMENT.

20 (C) REMEDIES AND PENALTIES IN THE EVENT OF NONCOMPLIANCE
21 WITH THE AGREEMENT.

22 (D) PENALTIES IN THE EVENT OF REVOCATION OF THE EXEMPTION.

23 (E) ANY OTHER TERMS AND CONDITIONS AGREED TO BY THE LOCAL
24 TAX COLLECTING UNIT AND THE PERSON GRANTED THE EXEMPTION.

25 (5) A LOCAL TAX COLLECTING UNIT THAT HAS GRANTED AN EXEMP-
26 TION UNDER THIS SECTION SHALL ANNUALLY REVIEW THE AGREEMENT
27 NEGOTIATED UNDER SUBSECTION (3) BEFORE DECEMBER 31 AND CONFIRM

1 THAT THE PERSON AWARDED THE EXEMPTION IS IN COMPLIANCE WITH THAT
2 AGREEMENT. IF THE LOCAL TAX COLLECTING UNIT DETERMINES THAT THE
3 PERSON AWARDED THE EXEMPTION IS NOT IN COMPLIANCE WITH THE AGREE-
4 MENT, THE LOCAL TAX COLLECTING UNIT MAY REVOKE THE EXEMPTION
5 GRANTED UNDER THIS SECTION AND AVAIL ITSELF OF ANY REMEDY OR
6 IMPOSE ANY PENALTY PROVIDED FOR IN THAT AGREEMENT.

7 (6) UNLESS THE AGREEMENT NEGOTIATED UNDER SUBSECTION (3)
8 PROVIDES OTHERWISE, A PERSON GRANTED AN EXEMPTION UNDER SUBSEC-
9 TION (1) MAY APPEAL A REVOCATION OF THAT EXEMPTION TO THE STATE
10 TAX COMMISSION.

11 (7) AS USED IN THIS SECTION:

12 (A) "ENVIRONMENTALLY CONTAMINATED PROPERTY" MEANS PROPERTY
13 THAT IS IDENTIFIED ON THE LIST OF ENVIRONMENTALLY CONTAMINATED
14 SITES PREPARED UNDER SECTION 20105 OF THE NATURAL RESOURCES AND
15 ENVIRONMENTAL PROTECTION ACT, ACT NO. 451 OF THE PUBLIC ACTS OF
16 1994, BEING SECTION 324.20105 OF THE MICHIGAN COMPILED LAWS, OR
17 IDENTIFIED ON ANY OTHER LIST OR REGISTRY OF ENVIRONMENTALLY CON-
18 TAMINATED SITES COMPILED OR MAINTAINED BY THE DEPARTMENT OF NATU-
19 RAL RESOURCES.

20 (B) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION,
21 ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL ENTITY.

22 (C) "RESPONSE ACTIVITY COSTS" MEANS THAT TERM AS DEFINED IN
23 SECTION 20101 OF ACT NO. 451 OF THE PUBLIC ACTS OF 1994, BEING
24 SECTION 324.20101 OF THE MICHIGAN COMPILED LAWS.

25 (D) "RESPONSIBLE PARTY" MEANS A PERSON WHO IS LIABLE UNDER
26 SECTION 20126 OF ACT NO. 451 OF THE PUBLIC ACTS OF 1994, BEING
27 SECTION 324.20126 OF THE MICHIGAN COMPILED LAWS.

1 (E) "SOLVENT RESPONSIBLE PARTY" MEANS A RESPONSIBLE PARTY
2 FINANCIALLY CAPABLE OF UNDERTAKING THE REMEDIATION OF ENVIRONMEN-
3 TALLY CONTAMINATED PROPERTY AS DETERMINED BY THE DEPARTMENT OF
4 NATURAL RESOURCES.

5 SEC. 9F. (1) A LOCAL TAX COLLECTING UNIT MAY EXEMPT IN
6 WHOLE OR IN PART PERSONAL PROPERTY LOCATED ON ENVIRONMENTALLY
7 CONTAMINATED REAL PROPERTY EXEMPT FROM TAXATION UNDER SECTION 7FF
8 FOR NOT MORE THAN 10 YEARS.

9 (2) A LOCAL TAX COLLECTING UNIT MAY NEGOTIATE AN AGREEMENT
10 TO EXEMPT PERSONAL PROPERTY UNDER SUBSECTION (1) WITH A PERSON
11 GRANTED AN EXEMPTION UNDER SECTION 7FF FOR REAL PROPERTY ON WHICH
12 THE EXEMPTED PERSONAL PROPERTY IS LOCATED.

13 (3) IF A LOCAL TAX COLLECTING UNIT NEGOTIATES AN AGREEMENT
14 TO EXEMPT PERSONAL PROPERTY UNDER SUBSECTION (1), THE TERMS AND
15 CONDITIONS OF THE AGREEMENT NEGOTIATED UNDER SECTION 7FF APPLY.