

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 825

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending section 8 (MCL 125.2688), as amended by 2003 PA 93,  
and by adding section 8d.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 8. (1) Except as provided in subsection (2), section  
2 8a, ~~and~~ section 8c, **and section 8d**, the board shall not  
3 designate more than 9 renaissance zones within this state. Not  
4 more than 6 of the renaissance zones shall be located in urban  
5 areas and not more than 4 of the renaissance zones shall be  
6 located in rural areas. For purposes of determining whether a  
7 renaissance zone is located in an urban area or rural area under  
8 this section, if any part of a renaissance zone is located within  
9 an urban area, the entire renaissance zone shall be considered to  
10 be located in an urban area.

1           (2) The board may designate additional renaissance zones  
2 within this state in 1 or more qualified local governmental units  
3 if that qualified local governmental unit or units contain a  
4 military installation that was operated by the United States  
5 department of defense and has closed after 1990.

6           (3) Each renaissance zone designated by the board under  
7 section 8a shall be submitted to the legislature, which, by  
8 concurrent resolution adopted by a majority vote of those elected  
9 to and serving in each house, on a record roll call vote, may  
10 reject that designation no later than the earlier of 45 days  
11 following the date of the designation by the board or December 31  
12 of the year of designation.

13           **Sec. 8d. (1) The board of the Michigan strategic fund**  
14 **described in section 4 of the Michigan strategic fund act, 1984**  
15 **PA 270, MCL 125.2004, may designate not more than 20 tool and die**  
16 **renaissance recovery zones within this state in 1 or more cities,**  
17 **villages, or townships if that city, village, or township or**  
18 **combination of cities, villages, or townships consents to the**  
19 **creation of a recovery zone within their boundaries. A recovery**  
20 **zone shall have a duration of renaissance zone status for a**  
21 **period not to exceed 15 years as determined by the board of the**  
22 **Michigan strategic fund.**

23           (2) The board of the Michigan strategic fund may designate a  
24 recovery zone within this state if the recovery zone consists  
25 only of 1 or more parcels of property owned by 1 or more  
26 qualified tool and die businesses and used by those qualified  
27 tool and die businesses primarily for tool and die business

1 operations.

2 (3) As used in this section:

3 (a) "Qualified collaborative agreement" means an agreement  
4 that demonstrates synergistic opportunities, including, but not  
5 limited to, all of the following:

6 (i) Sales and marketing efforts.

7 (ii) Development of standardized processes.

8 (iii) Development of tooling standards.

9 (iv) Standardized project management methods.

10 (v) Improved ability for specialized or small niche shops to  
11 develop expertise and compete successfully on larger programs.

12 (b) "Qualified tool and die business" means a business entity  
13 that meets all of the following:

14 (i) Has a North American industrial classification system  
15 (NAICS) of 333511, 333512, 333513, 333514, 333515, or 333715  
16 operating a facility within an existing renaissance zone, which  
17 facility is adjacent to real property not located in a  
18 renaissance zone and is located within 1/4 mile of a Michigan  
19 technical education center.

20 (ii) Has entered into a qualified collaboration agreement as  
21 approved by the Michigan strategic fund with other business  
22 entities that have a North American industrial classification  
23 system (NAICS) of 333511, 333512, 333513, 333514, or 333515.

24 (iii) Has less than 50 full-time employees.

25 (c) "Recovery zone" means a tool and die renaissance recovery  
26 zone created in this section.