

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 919

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
(MCL 125.2681 to 125.2696) by adding section 8f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 8F. (1) THE BOARD, UPON RECOMMENDATION OF THE BOARD OF
2 THE MICHIGAN STRATEGIC FUND DEFINED IN SECTION 4 OF THE MICHIGAN
3 STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2004, MAY DESIGNATE NOT
4 MORE THAN 10 ADDITIONAL RENAISSANCE ZONES FOR FOREST PRODUCTS
5 PROCESSING FACILITIES WITHIN THIS STATE IN 1 OR MORE CITIES,
6 VILLAGES, OR TOWNSHIPS IF THAT CITY, VILLAGE, OR TOWNSHIP OR
7 COMBINATION OF CITIES, VILLAGES, OR TOWNSHIPS CONSENTS TO THE
8 CREATION OF A RENAISSANCE ZONE FOR A FOREST PRODUCTS PROCESSING
9 FACILITY WITHIN THEIR BOUNDARIES. THE BOARD SHALL DESIGNATE NOT
10 MORE THAN 5 RENAISSANCE ZONES FOR A FOREST PRODUCTS PROCESSING
11 FACILITY EACH YEAR UNTIL THE MAXIMUM NUMBER OF RENAISSANCE ZONES

1 FOR A FOREST PRODUCTS PROCESSING FACILITY IS MET.

2 (2) EACH RENAISSANCE ZONE DESIGNATED FOR A FOREST PRODUCTS
3 PROCESSING FACILITY UNDER THIS SECTION SHALL BE 1 CONTINUOUS
4 DISTINCT GEOGRAPHIC AREA.

5 (3) THE BOARD MAY REVOKE THE DESIGNATION OF ALL OR A PORTION
6 OF A RENAISSANCE ZONE FOR A FOREST PRODUCTS PROCESSING FACILITY IF
7 THE BOARD DETERMINES THAT THE FOREST PRODUCTS PROCESSING FACILITY
8 DOES 1 OR MORE OF THE FOLLOWING IN A RENAISSANCE ZONE DESIGNATED
9 UNDER THIS SECTION:

10 (A) FAILS TO COMMENCE OPERATION.

11 (B) CEASES OPERATION.

12 (C) FAILS TO COMMENCE CONSTRUCTION OR RENOVATION WITHIN 1 YEAR
13 FROM THE DATE THE RENAISSANCE ZONE FOR THE FOREST PRODUCTS
14 PROCESSING FACILITY IS DESIGNATED.

15 (4) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
16 ADDED THIS SUBSECTION, THE BOARD SHALL CONSIDER ALL OF THE
17 FOLLOWING WHEN DESIGNATING A RENAISSANCE ZONE FOR A FOREST PRODUCTS
18 PROCESSING FACILITY:

19 (A) THE ECONOMIC IMPACT ON LOCAL SUPPLIERS WHO SUPPLY RAW
20 MATERIALS, GOODS, AND SERVICES TO THE FOREST PRODUCTS PROCESSING
21 FACILITY.

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

24 (C) THE VIABILITY OF THE PROJECT.

25 (D) THE ECONOMIC IMPACT ON THE COMMUNITY IN WHICH THE FOREST
26 PRODUCTS PROCESSING FACILITY IS LOCATED.

27 (E) WHETHER THE FOREST PRODUCTS PROCESSING FACILITY CAN BE

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1 LOCATED IN AN EXISTING RENAISSANCE ZONE DESIGNATED UNDER SECTION 8
2 OR 8A.

3 (5) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
4 ADDED THIS SUBSECTION, THE BOARD SHALL REQUIRE A DEVELOPMENT
5 AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND THE FOREST
6 PRODUCTS PROCESSING FACILITY.

7 (6) AS USED IN THIS SECTION, "DEVELOPMENT AGREEMENT" MEANS A
8 WRITTEN AGREEMENT BETWEEN THE MICHIGAN STRATEGIC FUND AND THE
9 FOREST PRODUCTS PROCESSING FACILITY THAT INCLUDES, BUT IS NOT
10 LIMITED TO, ALL OF THE FOLLOWING:

11 (A) A REQUIREMENT THAT THE FOREST PRODUCTS PROCESSING FACILITY
12 COMPLY WITH ALL STATE AND LOCAL LAWS.

13 (B) A REQUIREMENT THAT THE FOREST PRODUCTS PROCESSING FACILITY
14 REPORT ANNUALLY TO THE MICHIGAN STRATEGIC FUND ON ALL OF THE
15 FOLLOWING:

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

17 (ii) THE NUMBER OF INDIVIDUALS EMPLOYED AT THE FACILITY AT THE
18 BEGINNING AND END OF THE REPORTING PERIOD AS WELL AS THE NUMBER OF
19 INDIVIDUALS TRANSFERRED TO THE FACILITY FROM ANOTHER FACILITY OWNED
20 BY THE FOREST PRODUCTS PROCESSING FACILITY.

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

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

[Enacting section 1. This amendatory act does not take effect
unless House Bill No. 5456 of the 93rd Legislature is enacted into law.]