

HOUSE BILL No. 4815

May 19, 2005, Introduced by Reps. Pearce, Baxter, LaJoy, Pavlov, Nitz, Huizenga, Newell, Stahl, Gosselin, Stewart, Elsenheimer, Mortimer, Booher, Emmons, Nofs, Taub and Hildenbrand and referred to the Committee on Commerce.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8d (MCL 125.2688d), as amended by 2004 PA 202.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8d. (1) The board of the Michigan strategic fund
2 described in section 4 of the Michigan strategic fund act, 1984 PA
3 270, MCL 125.2004, may designate not more than 20 tool and die
4 renaissance recovery zones within this state in 1 or more cities,
5 villages, or townships if that city, village, or township or
6 combination of cities, villages, or townships consents to the
7 creation of a recovery zone within their boundaries. A recovery
8 zone shall have a duration of renaissance zone status for a period
9 not to exceed 15 years as determined by the board of the Michigan

1 strategic fund. **A QUALIFIED TOOL AND DIE BUSINESS IN A RECOVERY**
2 **ZONE MAY HAVE A DIFFERENT PERIOD OF RENAISSANCE ZONE STATUS THAN**
3 **OTHER QUALIFIED TOOL AND DIE BUSINESSES IN THE SAME RECOVERY ZONE.**

4 (2) The board of the Michigan strategic fund may designate a
5 recovery zone within this state if the recovery zone consists only
6 of 1 or more parcels of qualified tool and die business property.

7 (3) The board of the Michigan strategic fund may revoke the
8 designation of all or a portion of a recovery zone with respect to
9 1 or more qualified tool and die businesses if those qualified tool
10 and die businesses fail or cease to participate in or comply with a
11 qualified collaborative agreement.

12 (4) **A TOOL AND DIE BUSINESS MAY ENTER INTO A PREEXISTING**
13 **QUALIFIED COLLABORATION AGREEMENT WITH THE CONSENT OF ALL OTHER**
14 **QUALIFIED TOOL AND DIE BUSINESSES THAT ARE PART OF THAT QUALIFIED**
15 **COLLABORATION AGREEMENT AND WITH THE CONSENT OF THE MICHIGAN**
16 **STRATEGIC FUND.**

17 (5) **THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT REQUIRE**
18 **A BUSINESS ENTITY SEEKING QUALIFIED TOOL AND DIE BUSINESS STATUS TO**
19 **CREATE A NEW QUALIFIED COLLABORATIVE AGREEMENT IF THE BUSINESS**
20 **ENTITY SEEKING QUALIFIED TOOL AND DIE BUSINESS STATUS CAN JOIN AN**
21 **EXISTING QUALIFIED COLLABORATIVE AGREEMENT WITH OTHER QUALIFIED**
22 **TOOL AND DIE BUSINESSES.**

23 (6) ~~-(4)-~~ As used in this section:

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

27 (i) Sales and marketing efforts.

1 (ii) Development of standardized processes.

2 (iii) Development of tooling standards.

3 (iv) Standardized project management methods.

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

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

8 (i) Has a North American industrial classification system
9 (NAICS) of 333511, 333512, 333513, 333514, or 333515; or has a
10 North American industrial classification system (NAICS) of 337215
11 and operates a facility within an existing renaissance zone, which
12 facility is adjacent to real property not located in a renaissance
13 zone and is located within 1/4 mile of a Michigan technical
14 education center.

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

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

20 (c) "Qualified tool and die business property" means 1 or more
21 of the following:

22 (i) Property owned by 1 or more qualified tool and die
23 businesses and used by those qualified tool and die businesses
24 primarily for tool and die business operations.

25 (ii) Property leased by 1 or more qualified tool and die
26 business for which the qualified tool and die business is liable
27 for ad valorem property taxes and which is used by those qualified

1 tool and die businesses primarily for tool and die business
2 operations. The qualified tool and die business shall furnish proof
3 of its ad valorem property tax liability to the department of
4 treasury.

5 (d) "Recovery zone" means a tool and die renaissance recovery
6 zone created in this section.