

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bills 5805 and 5806 (as reported without amendment)
Sponsor: Representative Jason Allen (House Bill 5805)
Representative Joseph Rivet (House Bill 5806)
House Committee: Commerce
Senate Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

House Bill 5805 would amend the Michigan Renaissance Zone Act to require the approval of the State Administrative Board for the extension of renaissance zone status of distinct geographic areas designated within a zone.

The Act provides that, through December 31, 2002, a qualified local governmental unit or units in which a renaissance zone was designated under the Act may designate additional distinct geographic areas, not to exceed a total of 10 such areas, upon application to and approval by the State Administrative Board. The Act also specifies that those additional distinct geographic areas have the duration of renaissance zone status determined by the qualified local governmental unit, not to exceed 15 years (except as otherwise provided below). The bill would delete reference to a local unit's determination of zone status duration for the additional designated areas.

The Act also provides that, if a qualified local governmental unit designates additional distinct geographic areas in a renaissance zone, the qualified local unit may extend the duration of the renaissance zone status of one or more distinct geographic areas in that zone until 2017. Under the bill, the local unit or units could extend the duration of renaissance zone status until that year upon application to and approval by the State Administrative Board.

The bill states that it would be retroactive and effective for one or more distinct geographic areas whose duration of renaissance zone status had been extended on and after April 1, 2002. Any action by a qualified local governmental unit on and after that date and until the bill's effective date to extend the duration of renaissance zone status on additional distinct geographic areas without approval by the State Administrative Board would be null and void.

House Bill 5806 would amend a provision of the Act that requires the State Administrative Board to approve or reject the duration of renaissance zone status, "not to exceed 15 years except as provided in section 4(5)" (i.e., until 2017). The bill would delete the quoted language.

MCL 125.2684 (H.B. 5805)
125.2686 (H.B. 5806)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 5-23-02

Fiscal Analyst: David Zin

[Floor/hb5805](#)

Bill Analysis @ <http://www.senate.state.mi.us/sfa>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.