

SENATE BILL No. 1043

January 22, 2008, Introduced by Senators PAPPAGEORGE, BIRKHOLZ, RICHARDVILLE, KAHN, BISHOP, SANBORN, ANDERSON, BASHAM, ALLEN, HARDIMAN, SWITALSKI, JANSEN, KUIPERS and VAN WOERKOM and referred to the Committee on Energy Policy and Public Utilities.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8e (MCL 125.2688e), as added by 2006 PA 270.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8e. (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 renewable energy
5 facilities within this state in 1 or more cities, villages, or
6 townships if that city, village, or township or combination of
7 cities, villages, or townships consents to the creation of a
8 renaissance zone for a renewable energy facility within their

1 boundaries.

2 (2) Each renaissance zone designated for a renewable energy
3 facility under this section shall be 1 continuous distinct
4 geographic area.

5 (3) The board may revoke the designation of all or a portion
6 of a renaissance zone for a renewable energy facility if the board
7 determines that the renewable energy facility does 1 or more of the
8 following in a renaissance zone designated under this section:

9 (a) Fails to commence operation.

10 (b) Ceases operation.

11 (c) Fails to commence construction or renovation within 1 year
12 from the date the renaissance zone for the renewable energy
13 facility is designated.

14 (4) When designating a renaissance zone for a renewable energy
15 facility, the board shall consider all of the following:

16 (a) The economic impact on local suppliers who supply raw
17 materials, goods, and services to the renewable energy facility.

18 (b) The creation of jobs relative to the employment base of
19 the community rather than the static number of jobs created.

20 (c) The viability of the project.

21 (d) The economic impact on the community in which the
22 renewable energy facility is located.

23 (e) All other things being equal, giving preference to a
24 business entity already located in this state.

25 (f) Whether the renewable energy facility can be located in an
26 existing renaissance zone designated under section 8 or 8a.

27 **(G) THE IMPACT ON UTILITY RATEPAYERS.**

1 (5) Beginning on ~~the effective date of the amendatory act that~~
2 ~~added this subsection~~ **JULY 1, 2006**, the board shall require a
3 development agreement between the Michigan strategic fund and the
4 renewable energy facility.

5 (6) Until the maximum number of additional renaissance zones
6 for renewable energy facilities described in subsection (1) is met,
7 if the board designates a renaissance zone under this section,
8 section 8c, or section 8f for a facility that is a forest products
9 processing facility or an agricultural processing facility and that
10 also meets the definition of a renewable energy facility, then the
11 board shall only designate that renaissance zone as a renaissance
12 zone for a renewable energy facility under this section.

13 (7) As used in this section, "development agreement" means a
14 written agreement between the Michigan strategic fund and the
15 renewable energy facility that includes, but is not limited to, all
16 of the following:

17 (a) A requirement that the renewable energy facility comply
18 with all state and local laws.

19 (b) A requirement that the renewable energy facility report
20 annually to the Michigan strategic fund on all of the following:

21 (i) The amount of capital investment made at the facility.

22 (ii) The number of individuals employed at the facility at the
23 beginning and end of the reporting period as well as the number of
24 individuals transferred to the facility from another facility owned
25 by the renewable energy facility.

26 (iii) The percentage of raw materials purchased in this state.

27 (c) Any other conditions or requirements reasonably required

1 by the Michigan strategic fund.