

House Bill 4654
Sponsor: Rep. David Mead
Committee: Commerce

Complete to 6-18-01

A SUMMARY OF HOUSE BILL 4654 AS INTRODUCED 4-24-01

Public Act 259 of 2000 (Senate Bill 1251) amended the Michigan Renaissance Zone Act to allow the State Administrative Board, upon the recommendation of the board of the Michigan Strategic Fund, to designate up to 10 additional renaissance zones in the state specifically for agricultural processing facilities. The consent of the local unit or combination of local units involved is required for the creation of such a zone. (These zones cannot be designated after December 31, 2002.) House Bill 4654 would amend the act to allow for the designation of an unlimited number of renaissance zones for agricultural processing facilities. The bill also would specify that a zone could not be designated for an agricultural processing facility unless the designation would create new jobs within the state.

Additionally, the bill would amend the definition of “agricultural processing facility”. The term refers to one or more facilities or operations that transform, package, sort, or grade livestock or livestock products, agricultural commodities, or plants or plant products into goods that are used for intermediate or final consumption, including goods for nonfood use, and surrounding property. The bill would make the definition apply to those products and commodities “which are grown or produced in this state”.

[The Michigan Renaissance Zone Act was enacted in 1996 and created special zones in the state where businesses and individuals can get special tax treatment, with the aim of stimulating development in the designated areas. Participants get exemptions from the single business tax, state and local income taxes, the state education tax, property taxes, various specific taxes, and the city utility users tax (a Detroit-only tax). At first, nine zones were allowed, with the zones selected by the State Administrative Board from applications from local units based on recommendations from a specially created review board (plus two additional zones for former military bases). In 1999, the act was amended to allow the designation of additional zones, and the original review board was replaced by the Michigan Strategic Fund. In 2000, the provisions regarding agricultural processing facilities were added.]

MCL 125.2683 et al.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.