

HOUSE BILL No. 4814

May 19, 2005, Introduced by Reps. Pavlov, Baxter, LaJoy, Nitz, Huizenga, Newell, Stahl, Gosselin, Stewart, Elsenheimer, Mortimer, Kahn, 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
10 strategic fund.

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(2) The board of the Michigan strategic fund may designate a recovery zone within this state if the recovery zone consists ~~only~~ **OF NOT LESS THAN 4 AND NOT MORE THAN 20 QUALIFIED TOOL AND DIE BUSINESSES. IF THE BOARD OF THE MICHIGAN STRATEGIC FUND DESIGNATED 1 OR MORE RECOVERY ZONES THAT CONTAIN LESS THAN 20 QUALIFIED TOOL AND DIE BUSINESSES BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SENTENCE, THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY ADD ADDITIONAL QUALIFIED TOOL AND DIE BUSINESSES TO THAT RECOVERY ZONE SUBJECT TO THE LIMITATIONS CONTAINED IN THIS SUBSECTION. A RECOVERY ZONE SHALL CONSIST OF ONLY QUALIFIED TOOL AND DIE BUSINESS PROPERTY.]**

(3) The board of the Michigan strategic fund may revoke the designation of all or a portion of a recovery zone with respect to 1 or more qualified tool and die businesses if those qualified tool and die businesses fail or cease to participate in or comply with a qualified collaborative agreement. **A QUALIFIED TOOL AND DIE BUSINESS MAY ENTER INTO ANOTHER QUALIFIED COLLABORATIVE AGREEMENT ONCE IT IS DESIGNATED PART OF A RECOVERY ZONE.**

(4) **THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT PREVENT A GROUP OF QUALIFIED TOOL AND DIE BUSINESSES SUBJECT TO A QUALIFIED COLLABORATIVE AGREEMENT FROM MERGING INTO ANOTHER GROUP OF QUALIFIED TOOL AND DIE BUSINESSES SUBJECT TO A DIFFERENT QUALIFIED COLLABORATIVE AGREEMENT.**

(5) ~~—(4)—~~ As used in this section:

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

(i) Sales and marketing efforts.

(ii) Development of standardized processes.

(iii) Development of tooling standards.

(iv) Standardized project management methods.

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

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

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

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

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

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

15 (i) Property owned by 1 or more qualified tool and die
16 businesses and used by those qualified tool and die businesses
17 primarily for tool and die business operations.

18 (ii) Property leased by 1 or more qualified tool and die
19 business for which the qualified tool and die business is liable
20 for ad valorem property taxes and which is used by those qualified
21 tool and die businesses primarily for tool and die business
22 operations. The qualified tool and die business shall furnish proof
23 of its ad valorem property tax liability to the department of
24 treasury.

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