

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5243**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8d (MCL 125.2688d), as added by 2003 PA 266.

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
3 PA 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
9 period not to exceed 15 years as determined by the board of the
10 Michigan strategic fund.

11 (2) The board of the Michigan strategic fund may designate a

1 recovery zone within this state if the recovery zone consists
2 only of 1 or more parcels of ~~property owned by 1 or more~~
3 ~~qualified tool and die businesses and used by those qualified~~
4 ~~tool and die businesses primarily for tool and die business~~
5 ~~operations~~ **qualified tool and die business property.**

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

11 (4) ~~(3)~~ As used in this section:

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

15 (i) Sales and marketing efforts.

16 (ii) Development of standardized processes.

17 (iii) Development of tooling standards.

18 (iv) Standardized project management methods.

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

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

23 (i) Has a North American industrial classification system
24 (NAICS) of 333511, 333512, 333513, 333514, or 333515; or has a
25 North American industrial classification system (NAICS) of 337215
26 and operates a facility within an existing renaissance zone,
27 which facility is adjacent to real property not located in a

1 renaissance zone and is located within 1/4 mile of a Michigan
2 technical education center.

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

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

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

10 (i) Property owned by 1 or more qualified tool and die
11 businesses and used by those qualified tool and die businesses
12 primarily for tool and die business operations.

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

20 (d) ~~(e)~~ "Recovery zone" means a tool and die renaissance
21 recovery zone created in this section.