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SFA**BILL ANALYSIS**

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House Bill 5767 (Substitute H-1 as passed by the House)

Sponsor: Representative Wayne Kuipers

House Committee: Economic Development

Senate Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 6-1-00

CONTENT

The bill would amend the Plant Rehabilitation and Industrial Development Districts Act to include "engaging in a high-technology activity" as a primary purpose and use of industrial property under the Act. The Act's present definition of "industrial property" refers to land improvements, structure, real property, machinery, equipment, furniture, and fixtures or any part or accessory whose primary purpose and use are the manufacture of goods or materials, or the processing of goods and materials by physical or chemical change.

"High-technology activity" would mean the term as defined in Section 3 of the Michigan Economic Growth Authority Act as proposed in House Bill 5443. House Bill 5443 would expand eligible tax credit agreements under that Act and define "high-technology activity" as advanced computing, advanced materials, biotechnology, electronic device technology, engineering or laboratory testing of product development, environmental technology, medical device technology, product research and development, and advanced vehicle technology. House Bill 5767 (H-1) is tie-barred to House Bill 5443.

MCL 207.552

Legislative Analyst: N. Nagata

FISCAL IMPACT

The fiscal impact of this bill cannot be estimated because there is no way to know how many firms engaging in high technology business activities would apply for and receive an industrial facilities exemption, which would entitle them to a reduction in property taxes.

Fiscal Analyst: J. Wortley

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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.