

# HOUSE BILL No. 5785

February 21, 2008, Introduced by Reps. Simpson, Miller, LeBlanc, Constan, McDowell, Byrum, Byrnes, Wojno, Lemmons, Ebli, Donigan, Vagnozzi, Young, Hopgood, Spade, Gonzales, Sheltroun, Brown, Espinoza, Bennett, Mayes, Valentine, Polidori, Cheeks, Hammon, Bauer, Dean, Alma Smith, Hammel, Melton, Coulouris, Meadows, Griffin, Kathleen Law, Meisner and Angerer and referred to the Committee on Commerce.

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending sections 15 and 16 (MCL 125.2695 and 125.2696) and by  
adding sections 8g and 8h.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 8G. BEGINNING JULY 1, 2008, WHEN DESIGNATING A  
2        RENAISSANCE ZONE UNDER SECTION 8A(2), 8C, 8D, 8E, OR 8F, IF ALL  
3        OTHER CONSIDERATIONS ARE EQUAL, THE BOARD OR THE MICHIGAN STRATEGIC  
4        FUND, AS APPLICABLE, SHALL GIVE PREFERENCE TO AN APPLICANT FOR  
5        RENAISSANCE ZONE STATUS IF THE APPLICANT AGREES, IN WRITING, TO DO  
6        ALL OF THE FOLLOWING:

7        (A) HIRE ONLY RESIDENTS OF THIS STATE TO OPERATE A FACILITY IN  
8        THE RENAISSANCE ZONE, UNLESS THE BOARD OR THE MICHIGAN STRATEGIC

1 FUND, AS APPLICABLE, DETERMINES THAT THE FACILITY CANNOT BE  
2 OPERATED BY USING ONLY RESIDENTS OF THIS STATE.

3 (B) CONTRACT WITH BUSINESSES THAT AGREE TO HIRE ONLY RESIDENTS  
4 OF THIS STATE TO CONSTRUCT A FACILITY IN THE RENAISSANCE ZONE,  
5 UNLESS THE BOARD OR THE MICHIGAN STRATEGIC FUND, AS APPLICABLE,  
6 DETERMINES THAT THE FACILITY CANNOT BE CONSTRUCTED BY USING ONLY  
7 RESIDENTS OF THIS STATE.

8 SEC. 8H. (1) BEGINNING JULY 1, 2008, IF THE BOARD OR THE  
9 MICHIGAN STRATEGIC FUND, AS APPLICABLE, DESIGNATES A RENAISSANCE  
10 ZONE UNDER SECTION 8A(2), 8C, 8D, 8E, OR 8F, A TAXPAYER THAT IS A  
11 BUSINESS IS NOT ABLE TO CLAIM THE EXEMPTION, DEDUCTION, OR CREDIT  
12 UNDER THIS ACT UNLESS THAT TAXPAYER ENTERS INTO A CONTRACT WITH THE  
13 BOARD OR THE MICHIGAN STRATEGIC FUND, AS APPLICABLE, THAT PROVIDES  
14 THAT, FOR ANY WORK IN THE RENAISSANCE ZONE, THE TAXPAYER WILL NOT  
15 HIRE OR CONTRACT WITH ANY BUSINESS ENTITY THAT HIRES AN INDIVIDUAL  
16 WHO IS NOT AUTHORIZED UNDER FEDERAL LAW TO WORK IN THE UNITED  
17 STATES AND THAT THE TAXPAYER WILL COMPLY IN GOOD FAITH WITH THE  
18 VERIFICATION REQUIREMENTS IN 8 USC 1324A TO ENSURE THAT ALL  
19 EMPLOYEES HIRED BY THE TAXPAYER OR EMPLOYEES OF ANY CONTRACTORS  
20 HIRED BY THE TAXPAYER ARE AUTHORIZED TO WORK IN THE UNITED STATES.

21 (2) THE CONTRACT WITH THE TAXPAYER DESCRIBED IN THIS SECTION  
22 AND SECTION 8G SHALL ALSO CONTAIN A REMEDY PROVISION THAT PROVIDES  
23 FOR ALL OF, BUT NOT LIMITED TO, THE FOLLOWING:

24 (A) A REQUIREMENT THAT THE TAXPAYER IS NOT ELIGIBLE TO CLAIM  
25 ANY FUTURE EXEMPTIONS, DEDUCTIONS, OR CREDITS UNDER THIS ACT IF THE  
26 TAXPAYER IS DETERMINED TO BE IN VIOLATION OF THE PROVISIONS OF THIS  
27 SECTION OR SECTION 8G, IF APPLICABLE, AS DETERMINED BY THE BOARD OR

1 THE MICHIGAN STRATEGIC FUND, AS APPLICABLE.

2 (B) A REQUIREMENT THAT THE TAXPAYER MAY BE REQUIRED TO REPAY  
3 SOME OR ALL OF THE EXEMPTIONS, DEDUCTIONS, OR CREDITS RECEIVED  
4 UNDER THIS ACT IF THE TAXPAYER IS DETERMINED TO BE IN VIOLATION OF  
5 THE PROVISIONS OF THIS SECTION OR SECTION 8G, IF APPLICABLE, AS  
6 DETERMINED BY THE BOARD OR THE MICHIGAN STRATEGIC FUND, AS  
7 APPLICABLE.

8 Sec. 15. The department of ~~Michigan jobs commission~~ LABOR AND  
9 ECONOMIC GROWTH shall annually report to the BOARD OF THE MICHIGAN  
10 STRATEGIC FUND AND TO THE legislature on the economic effects of  
11 this act in each renaissance zone. The report shall include, but is  
12 not limited to, all of the following for each renaissance zone:

13 (a) Number of new jobs created.

14 (b) Percentage change in aggregate taxable value and state  
15 equalized value.

16 (c) Average wage of new jobs created.

17 (d) Percentage change of adjusted gross income of residents.

18 (E) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN NEW JOBS IN  
19 THE IMMEDIATELY PRECEDING YEAR.

20 (F) THE TOTAL NUMBER OF NEW JOBS CREATED IN THE IMMEDIATELY  
21 PRECEDING YEAR.

22 (G) THE SPECIFIC REASONS FOR EACH DETERMINATION OF EXEMPTION  
23 FROM THE PROVISIONS OF SECTION 8G(A) OR (B) MADE BY THE BOARD OR  
24 THE MICHIGAN STRATEGIC FUND AND THE NUMBER OF JOBS RELATED TO EACH  
25 DETERMINATION.

26 Sec. 16. A state research university shall annually report to  
27 the legislature on the economic effects of this act in each

1 renaissance zone. The report shall include, but is not limited to,  
2 all of the following for each renaissance zone:

3 (a) Number of new jobs created.

4 (b) Percentage change in aggregate taxable value and state  
5 equalized value.

6 (c) Average wage of new jobs created.

7 (d) Percentage change of adjusted gross income of residents.

8 (E) THE NUMBER OF MICHIGAN RESIDENTS EMPLOYED IN NEW JOBS IN  
9 THE IMMEDIATELY PRECEDING YEAR.

10 (F) THE TOTAL NUMBER OF NEW JOB CREATED IN THE IMMEDIATELY  
11 PRECEDING YEAR.

12 (G) THE SPECIFIC REASONS FOR EACH DETERMINATION OF EXEMPTION  
13 FROM THE PROVISIONS OF SECTION 8G(A) OR (B) MADE BY THE BOARD OR  
14 THE MICHIGAN STRATEGIC FUND AND THE NUMBER OF JOBS RELATED TO EACH  
15 DETERMINATION.