

Senate Committee on Commerce and Tourism

A meeting of the Senate Committee on Commerce and Tourism was held Tuesday, March 23, 2009 at 2:30 p.m. in room 100 of the Farnum Building.

The meeting was called to order at 4:17 p.m.

Members present: Senators Allen, Nofs, Stamas, Clarke and Hunter

Members excused: None

Senator Allen called the meeting to order.

Senator Allen thanked the audience for their patience and apologized for the delay in starting due to Senate session.

Senator Allen laid before the committee for consideration Senate Bills 1079-1084 (Next Michigan Development Corporation package).

Robert Ficano, Wayne County Executive, testified in support of the package of legislation. Mr. Ficano detailed the benefits that the package would have for Wayne and Washtenaw Counties, and urged action by the committee by the end of April.

Robert Guenzel, Washtenaw County Administrator, testified in support of the bills, stating that the package would give the needed additional tools for the counties to use. Mr. Guenzel also saw this venture as a tremendous opportunity for the state of Michigan as a whole.

Senator Clarke asked Mr. Ficano and Mr. Guenzel what the time table was. Mr. Ficano stated that as soon as possible would be beneficial, and that competition was already being felt from other areas in the country.

Senator Clarke moved that Senate Bills 1079-1084 be reported out of committee with the recommendation that the bills then pass. Senator Hunter supported the motion.

Senator Allen stated that the bills needed more work before moving them from committee.

Senator Allen asked Mr. Ficano and Mr. Guenzel if they would review the Land Use Development Report done by Governor Granholm's Administration in 2003 and then return to talk about how the Next Michigan Development package relates to the earlier report.

Senators Allen asked that Senators Clarke and Hunter withdraw their motions to allow for more work to be done on this package before the bills are voted on. Senator Clarke withdrew his motion. Senator Hunter withdrew his support.

Maureen Krauss, representing the Oakland County Executive, testified on the bills. Ms. Krauss stated that the county had been working over the last year in conjunction with Wayne and Washtenaw Counties and is supportive of the package. Oakland County is also interested in adding 10 additional floating renaissance zones to the legislation.

Ken Osborne explained the legislation for committee members, noting what each of the following bills does:

1. SB 1079: Amends the Michigan Economic Growth Act to allow eligible businesses to claim MBT Credits
2. SB 1080: Amends the Michigan Renaissance Zone Act to allow for up to 12 company-based renaissance zones per Next Michigan Development District
3. SB 1081: Allows a Next Michigan Development Corporation (NMDC) to create a Local Development Financing Authority
4. SB 1082: Allows for a NMDC to grant property tax abatements
5. SB 1083: Creates a new NMDC act, with up to 5 created statewide
6. SB 1084: Allows a NMDC to exempt new personal property of an eligible business

Michael Keller, representing the AFL-CIO, supported the legislation and did not wish to testify.

Michael McGee, representing Miller Canfield, supported the legislation and did not wish to testify.

Erik Hingst, representing Canton Township, supported the legislation and did not wish to testify.

Andy Shor, representing the Michigan Municipal League, supported Senate Bills 1079 and 1081-83, and was neutral on Senate Bill 1080 and did not wish to testify.

Tom Hickson, representing the Michigan Association of Counties, supported the legislation and did not wish to testify.

Senator Stamas moved to adopt the minutes from the meeting held Tuesday, March 16, 2010 with unanimous consent. Senator Nofs supported the motion. By unanimous consent, the minutes from the meeting were adopted.

Senator Allen indicated that work would continue on the NMDC package during the legislative break.

Senator Allen adjourned the committee 4:45 p.m.

Respectfully Submitted,

Lauren K. Michalak
Committee Clerk

Jason E. Allen
Chairman

Date Approved by Committee