



SENATE BILL No. 144

January 26, 1993, Introduced by Senators CISKY, GAST, SCHWARZ, EMMONS, DUNASKISS, EHLERS, DILLINGHAM, MC MANUS and DI NELLO and referred to the Committee on Local Government and Urban Development.

A bill to amend sections 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 20a, 20b, 21, and 22 of Act No. 224 of the Public Acts of 1985, entitled

"Enterprise zone act,"

sections 3, 20, 20a, 20b, and 21 as amended by Act No. 185 of the Public Acts of 1991, section 6 as amended by Act No. 15 of the Public Acts of 1987, and section 14 as amended by Act No. 80 of the Public Acts of 1990, being sections 125.2103, 125.2104, 125.2106, 125.2107, 125.2108, 125.2109, 125.2110, 125.2111, 125.2112, 125.2113, 125.2114, 125.2115, 125.2116, 125.2117, 125.2119, 125.2120, 125.2120a, 125.2120b, 125.2121, and 125.2122 of the Michigan Compiled Laws; and to add sections 14a and 21a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14,
2 15, 16, 17, 19, 20, 20a, 20b, 21, and 22 of Act No. 224 of the

1 Public Acts of 1985, sections 3, 20, 20a, 20b, and 21 as amended
2 by Act No. 185 of the Public Acts of 1991, section 6 as amended
3 by Act No. 15 of the Public Acts of 1987, and section 14 as
4 amended by Act No. 80 of the Public Acts of 1990, being sections
5 125.2103, 125.2104, 125.2106, 125.2107, 125.2108, 125.2109,
6 125.2110, 125.2111, 125.2112, 125.2113, 125.2114, 125.2115,
7 125.2116, 125.2117, 125.2119, 125.2120, 125.2120a, 125.2120b,
8 125.2121, and 125.2122 of the Michigan Compiled Laws, are amended
9 and sections 14a and 21a are added to read as follows:

10 Sec. 3. As used in this act:

11 (a) "Authority" means the Michigan enterprise zone authority
12 created pursuant to section 4.

13 (b) "Citizens' council" means a council created pursuant to
14 section 9.

15 (c) "COMPREHENSIVE DEVELOPMENT PLAN" OR "PLAN" MEANS A PHYS-
16 ICAL IMPROVEMENT PLAN FOR AN ENTERPRISE ZONE.

17 (D) ~~-(e)-~~ "Enterprise zone" OR "ZONE" means an area approved
18 as an enterprise zone by the authority as provided in this act.

19 (E) "FACILITY" MEANS REAL OR PERSONAL INDUSTRIAL OR COMMER-
20 CIAL PROPERTY LOCATED IN AN ENTERPRISE ZONE, EXCLUDING PROPERTY
21 USED TO PROVIDE RENTAL HOUSING.

22 (F) ~~-(d)-~~ "General property tax act" means Act No. 206 of
23 the Public Acts of 1893, being sections 211.1 to 211.157 of the
24 Michigan Compiled Laws.

25 (G) "INCREASED SEV" MEANS THE AMOUNT DETERMINED BY SUBTRACT-
26 ING THE INITIAL STATE EQUALIZED VALUATION OF THE PROPERTY FROM

1 THE STATE EQUALIZED VALUATION OF THE PROPERTY EXCLUDING THE
2 EXEMPTIONS GRANTED UNDER THIS ACT.

3 (H) "INITIAL SEV" MEANS THE STATE EQUALIZED VALUATION OF THE
4 PROPERTY IN THE YEAR IMMEDIATELY PRECEDING THE YEAR IN WHICH THE
5 EXEMPTION GRANTED UNDER SECTION 16 TAKES EFFECT. FOR PROPERTY
6 EXEMPTED UNDER SECTION 20B, THE INITIAL SEV IS 0.

7 (I) ~~-(e)-~~ "Local governmental unit" means a city, VILLAGE,
8 OR TOWNSHIP.

9 (J) ~~-(f)-~~ "New facility" means real or personal industrial
10 or commercial property located in an enterprise zone, the con-
11 struction, restoration, alteration, or renovation of which begins
12 after the date on which the business applies with the local gov-
13 ernmental unit for certification as a qualified business.
14 Restoration, alteration, or renovation of existing property con-
15 stitutes a new facility only if the increase in the combined true
16 cash value of the restored, altered, or renovated real and per-
17 sonal property is equal to or greater than 50% of the combined
18 true cash value of the real and personal property before restora-
19 tion, alteration, or renovation as defined in the general prop-
20 erty tax act, notwithstanding the exemptions granted by this
21 act.

22 (K) ~~-(g)-~~ "Qualified business" means either ~~-a-~~ OF THE FOL-
23 LOWING, AS APPLICABLE:

24 (i) A qualified new business or a qualified existing busi-
25 ness LOCATED IN AN ENTERPRISE ZONE CREATED BEFORE 1993.

26 (ii) A BUSINESS LOCATED IN AN ENTERPRISE ZONE CREATED AFTER
27 1992.

1 (1) ~~(h)~~ "Qualified business activity" means business
2 activity in an enterprise zone ESTABLISHED BEFORE 1993 of a qual-
3 ified existing business attributable to a new facility or the
4 business activity in an enterprise zone of a qualified new
5 business.

6 (M) ~~(i)~~ "Qualified existing business" means a business
7 that is located in the area comprising an enterprise zone at the
8 time the area is approved as an enterprise zone, that constructs
9 a new facility, and that is certified by the authority as meeting
10 the requirements of this act.

11 (N) ~~(j)~~ "Qualified new business" means a business located
12 within an enterprise zone that is not located in the area com-
13 prising the enterprise zone on the date on which the authority
14 approves the enterprise zone, and that is certified by the
15 authority as meeting the requirements of this act.

16 (O) "TAX INCREMENT FINANCE AUTHORITY" MEANS AN AUTHORITY
17 ESTABLISHED UNDER ACT NO. 197 OF THE PUBLIC ACTS OF 1975, BEING
18 SECTIONS 125.1651 TO 125.1681 OF THE MICHIGAN COMPILED LAWS; THE
19 TAX INCREMENT FINANCE AUTHORITY ACT, ACT NO. 450 OF THE PUBLIC
20 ACTS OF 1980, BEING SECTIONS 125.1801 TO 125.1830 OF THE MICHIGAN
21 COMPILED LAWS; OR THE LOCAL DEVELOPMENT FINANCING ACT, ACT
22 NO. 281 OF THE PUBLIC ACTS OF 1986, BEING SECTIONS 125.2151 TO
23 125.2174 OF THE MICHIGAN COMPILED LAWS.

24 Sec. 4. (1) The Michigan enterprise zone authority is cre-
25 ated within the department of commerce. The authority shall
26 exercise its powers, duties, and functions independently of the
27 director of commerce as head of department of commerce. However,

1 the department of commerce shall provide staff for the authority
2 and shall carry out the administrative duties and functions as
3 directed by the authority. ~~and the~~ THE budgeting, procure-
4 ment, and related functions of the authority shall be under the
5 supervision of the director of commerce.

6 (2) The authority consists of the following 7 members:

7 (a) The director of the department of commerce, or the
8 director's designee, as chairperson of the authority.

9 (b) The state treasurer or the treasurer's designee.

10 (c) Five other members appointed by the governor who have
11 knowledge, skill, and experience in the academic, business, local
12 government, labor, or financial fields. ~~Two of these members~~
13 ~~shall also have special knowledge of distressed communities.~~

14 (3) A member shall be appointed for a term of 4 years,
15 except that of the members first appointed by the governor, 2
16 shall be appointed for a term of 2 years and 3 for a term of 4
17 years from the dates of their appointments. A vacancy shall be
18 filled for the balance of the unexpired term in the same manner
19 as an original appointment.

20 (4) The director of the department of commerce and the state
21 treasurer each may appoint a designee to serve as a member of the
22 authority in his or her absence. Except as otherwise provided by
23 law, a member of the authority shall not receive compensation for
24 services, but the authority may reimburse each member for
25 expenses necessarily incurred in the performance of his or her
26 duties.

1 Sec. 6. ~~-(1)-~~ In addition to other powers and duties
 2 provided in this act, the authority shall administer this act and
 3 ~~shall have~~ HAS all of the following powers and duties:

4 (a) To conduct a continuing evaluation program on enterprise
 5 zones.

6 (b) To promulgate rules pursuant to the administrative pro-
 7 cedures act of 1969, Act No. 306 of the Public Acts of 1969,
 8 being sections 24.201 to 24.328 of the Michigan Compiled Laws,
 9 necessary to carry out the purposes of this act.

10 ~~-(c)- To assist local governmental units in obtaining the~~
 11 ~~designation of an area as an enterprise zone for federal purposes~~
 12 ~~by designation for that purpose or as otherwise required.~~

13 (C) ~~-(d)-~~ To assist a qualified business in obtaining the
 14 benefits of an incentive or inducement program provided by law
 15 ~~—~~ and the benefits of this act.

16 (D) ~~-(e)-~~ To assist the citizens' council of an enterprise
 17 zone in obtaining assistance from any other agency of state gov-
 18 ernment, including assistance in providing training and technical
 19 assistance to qualified businesses within an enterprise zone.

20 (E) ~~-(f)-~~ To modify the boundaries of an enterprise zone if
 21 both of the following requirements are met:

22 (i) The property is within the corporate limits of the
 23 ~~city~~ LOCAL GOVERNMENTAL UNIT in which the enterprise zone is
 24 located. If the property is transferred to the ~~city~~ LOCAL GOV-
 25 ERNMENTAL UNIT in which the enterprise zone is located pursuant
 26 to a contract under Act No. 425 of the Public Acts of 1984, being
 27 sections 124.21 to ~~124.29~~ 124.30 of the Michigan Compiled Laws,

1 the transfer shall be from a ~~township~~ LOCAL GOVERNMENTAL UNIT
2 for a period of 30 years or more, and the revenue received by the
3 ~~township~~ TRANSFERRING LOCAL GOVERNMENTAL UNIT under the con-
4 tract shall be not more than ~~the township~~ THAT LOCAL GOVERNMEN-
5 TAL UNIT would have received based upon its millage rate.

6 (ii) The procedures described in sections 11 through 13 are
7 followed.

8 ~~(2) The authority shall award a grant to a Michigan~~
9 ~~research university to perform an independent monitoring and~~
10 ~~evaluation of the economic impact of the first enterprise zone~~
11 ~~established under this act. This report shall be presented to~~
12 ~~the standing committees of the legislature concerned with eco-~~
13 ~~nomie development, local governmental units, and taxation before~~
14 ~~March 1, 1988.~~

15 ~~(3) In cooperation with the office of business permits cre-~~
16 ~~ated by the business coordination procedures act, Act No. 141 of~~
17 ~~the Public Acts of 1982, being sections 445.11 to 445.24 of the~~
18 ~~Michigan Compiled Laws, the authority shall provide information~~
19 ~~and appropriate assistance to a person desiring to locate and~~
20 ~~engage in business in an enterprise zone regarding a state~~
21 ~~license, permit, certificate, approval, registration, charter, or~~
22 ~~other form of permission required by law to engage in business in~~
23 ~~this state.~~

24 Sec. 7. (1) Beginning October 1, ~~1989~~ 1996 and every ~~2~~
25 3 years after that date, the authority shall present an analysis
26 of the economic impacts of each enterprise zone. This analysis
27 shall be presented to the standing committees of the legislature

1 concerned with economic development, local governmental units,
2 and taxation for their consideration of enterprise zone
3 feasibility.

4 (2) The department of treasury and a local governmental unit
5 in which an enterprise zone ~~is located~~ WAS APPROVED BEFORE 1993
6 shall jointly develop recommendations for the fiscal management
7 of the local governmental unit, and the local governmental unit
8 shall implement those recommendations.

9 Sec. 8. (1) The authority shall determine which local gov-
10 ernmental units qualify to apply to have enterprise zones
11 approved within their boundaries. ~~which~~ THE qualifying local
12 governmental units shall meet all of the ~~following~~ criteria
13 UNDER EITHER SUBDIVISION (A) OR (B), AS APPLICABLE:

14 ~~(a) Unemployment is at an average rate of more than 25% for~~
15 ~~the most recent calendar year for which data is available from~~
16 ~~the Michigan employment security commission.~~

17 ~~(b) The median family income is less than 55% of the state~~
18 ~~average median family income as reported in the 1980 federal~~
19 ~~decennial census.~~

20 ~~(c) The most recent average millage rate that is levied for~~
21 ~~use by the local governmental unit is more than 30 mills.~~

22 ~~(d) The state equalized value of the local governmental unit~~
23 ~~is less than \$4,000.00 per capita according to the most recent~~
24 ~~certification by the department of commerce for the small cities~~
25 ~~community development block grant needs index.~~

26 (A) A LOCAL GOVERNMENTAL UNIT THAT IS LOCATED IN A
27 METROPOLITAN STATISTICAL AREA, AS DESIGNATED BY THE UNITED STATES

1 BUREAU OF THE CENSUS, SHALL MEET ALL OF THE FOLLOWING CRITERIA AT
2 THE TIME OF CERTIFICATION BY THE AUTHORITY, OR IN A METROPOLITAN
3 STATISTICAL AREA THAT HAS A POPULATION OF 400,000 OR MORE, A CITY
4 THAT HAS THE LARGEST POPULATION OF THE CITIES WITHIN THAT METRO-
5 POLITAN STATISTICAL AREA, AS DESIGNATED BY THE UNITED STATES
6 BUREAU OF THE CENSUS, AT THE TIME OF CERTIFICATION BY THE AUTHOR-
7 ITY SHALL MEET 3 OR MORE OF THE FOLLOWING CRITERIA:

8 (i) HAS A POPULATION OF 10,000 OR MORE ACCORDING TO THE MOST
9 RECENT DECENNIAL CENSUS.

10 (ii) HAD AN AVERAGE UNEMPLOYMENT RATE OF 10.7% OR MORE
11 DURING THE MOST RECENT CALENDAR YEAR FOR WHICH THE DATA IS AVAIL-
12 ABLE FROM THE MICHIGAN EMPLOYMENT SECURITY COMMISSION OR HAD 84
13 OR MORE MILLS LEVIED IN THE MOST RECENT AD VALOREM PROPERTY TAX
14 LEVY.

15 (iii) HAD A TOTAL MILLAGE RATE OF 65 MILLS OR MORE LEVIED IN
16 THE MOST RECENT AD VALOREM PROPERTY TAX LEVY OR LEVIES A CITY
17 INCOME TAX.

18 (iv) HAS A HOUSING STOCK OF WHICH 60% OR MORE OF THE UNITS
19 WERE BUILT BEFORE 1960 AS REPORTED IN THE MOST RECENT DECENNIAL
20 CENSUS.

21 (v) HAD A PERCENTAGE INCREASE IN STATE EQUALIZED VALUATION
22 BETWEEN 1970 AND 1990 BELOW 140%.

23 (vi) HAD A DECLINE IN POPULATION OF MORE THAN 5% BETWEEN
24 1970 AND 1990.

25 (B) A LOCAL GOVERNMENTAL UNIT THAT IS NOT LOCATED IN A MET-
26 ROPOLITAN STATISTICAL AREA, AS DESIGNATED BY THE UNITED STATES
27 BUREAU OF THE CENSUS, SHALL MEET ALL OF THE FOLLOWING CRITERIA:

1 (i) HAS A POPULATION OF 7,500 OR MORE ACCORDING TO THE MOST
2 RECENT DECENNIAL CENSUS.

3 (ii) HAD A PERCENTAGE INCREASE IN STATE EQUALIZED VALUATION
4 BETWEEN 1980 AND 1990 BELOW 50%.

5 (iii) HAD A TOTAL MILLAGE RATE OF 65 MILLS OR MORE LEVIED IN
6 THE MOST RECENT AD VALOREM PROPERTY TAX LEVY OR HAD A POPULATION
7 DECLINE OF AT LEAST 9% FROM 1970 TO 1990.

8 (2) THE AUTHORITY SHALL MAKE A DETERMINATION UNDER
9 SUBSECTION (1) WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF THE
10 AMENDATORY ACT THAT ADDED THIS SUBSECTION AND ANNUALLY THEREAF-
11 TER, BUT SHALL NOT MAKE A DETERMINATION AFTER DECEMBER 31, 1995.

12 Sec. 9. (1) If a local governmental unit qualifies under
13 the criteria of section 8 and wishes to apply for approval of an
14 enterprise zone within its boundaries, the local governmental
15 unit shall establish a citizens' council for the potential enter-
16 prise zone. A LOCAL GOVERNMENTAL UNIT SHALL HAVE ONLY 1
17 CITIZENS' COUNCIL REGARDLESS OF THE NUMBER OF ENTERPRISE ZONES
18 WITHIN ITS BOUNDARIES. The citizens' council shall consist of 11
19 individuals nominated by the chief elected official of the local
20 governmental unit and approved by the ~~legislative~~ GOVERNING
21 body of the local governmental unit. ~~Preference in~~ IN THE
22 selection of the citizens' council MEMBERS, PREFERENCE shall be
23 given to persons who reside, are located, or are doing business
24 in that local governmental unit.

25 (2) A member shall serve for a term of 3 years, except that
26 of the members first appointed, 3 shall serve for 1 year, 4 for 2
27 years, and 4 for 3 years. A vacancy on the citizens' council

1 shall be filled for the remainder of the unexpired term in the
 2 same manner as the original appointment. ~~The~~ FOR A LOCAL GOV-
 3 ERNMENTAL UNIT ESTABLISHING AN ENTERPRISE ZONE AFTER 1992, THE
 4 CITIZENS' COUNCIL SHALL CONSIST OF PERSONS WHO LIVE, WORK, OWN
 5 PROPERTY, OR OWN A BUSINESS THAT OWNS PROPERTY IN THE LOCAL GOV-
 6 ERNMENTAL UNIT. FOR A LOCAL GOVERNMENTAL UNIT THAT ESTABLISHED
 7 AN ENTERPRISE ZONE BEFORE 1993, THE citizens' council shall con-
 8 sist of ~~1 person who matches each~~ ALL of the following:
 9 ~~descriptions:~~

- 10 (a) A representative of financial institutions.
- 11 (b) A representative of business.
- 12 (c) A person with expertise in land use.
- 13 (d) A person with expertise in economic development.
- 14 (e) An educator.
- 15 (f) A representative of labor organizations.
- 16 (g) A representative of neighborhood associations.
- 17 (h) An attorney.
- 18 (i) A homeowner.
- 19 (j) Two elected officials representing the residents of the
- 20 enterprise zone.

21 (3) The ~~legislative~~ GOVERNING body of the local governmen-
 22 tal unit shall provide staff for the citizens' council and shall
 23 carry out the administrative duties and functions as directed by
 24 that ~~legislative~~ GOVERNING body.

25 Sec. 10. A citizens' council shall perform all of the fol-
 26 lowing duties:

1 (a) ~~Provide advice in determining the boundaries of the~~
2 ~~enterprise zones that are recommended by the chief elected~~
3 ~~official of the local governmental unit.~~ RECOMMEND THE BOUNDA-
4 RIES OF THE ENTERPRISE ZONE TO THE CHIEF ELECTED OFFICIAL OF THE
5 GOVERNING BODY OF THE LOCAL GOVERNMENTAL UNIT.

6 (b) Advise the local governmental unit on all matters relat-
7 ing to enterprise zone activities.

8 (c) Advocate the promotion and development of business in
9 the enterprise zone.

10 (d) Coordinate employer needs with available training pro-
11 grams and other services.

12 (e) Upon the request of a qualified business, assist in the
13 recruitment of employees for existing or future jobs.

14 (f) Review each employer ~~yearly~~ ANNUALLY to ensure the
15 employer's continuing status as a qualified business.

16 (G) PROVIDE INFORMATION, AS REQUESTED, TO THE AUTHORITY.

17 Sec. 11. (1) With the advice of the citizens' council, the
18 chief elected official of a local governmental unit qualified
19 under section 8 shall recommend to the ~~legislative~~ GOVERNING
20 body of the local governmental unit the area within its jurisdic-
21 tion to be proposed as an enterprise zone. ~~The boundary of an~~
22 ~~enterprise zone shall be continuous and shall include, if feasi-~~
23 ~~ble, vacant or underutilized land or structures that are conven-~~
24 ~~iently accessible to residents of the enterprise zone.~~

25 (2) BEGINNING IN 1993, AFTER RECEIPT OF THE RECOMMENDATION
26 OF THE CHIEF ELECTED OFFICIAL REGARDING THE BOUNDARIES OF AN
27 ENTERPRISE ZONE, THE GOVERNING BODY OF THE LOCAL GOVERNMENTAL

1 UNIT SHALL HOLD A PUBLIC HEARING ON THE ADOPTION OF AN ORDINANCE
2 ESTABLISHING THE PROPOSED ENTERPRISE ZONE. NOTICE OF THE PUBLIC
3 HEARING SHALL BE PUBLISHED TWICE IN A NEWSPAPER OF GENERAL CIRCUM-
4 LATION IN THE LOCAL GOVERNMENTAL UNIT, NOT LESS THAN 20 OR MORE
5 THAN 40 DAYS BEFORE THE DATE OF THE HEARING. NOTICE SHALL ALSO
6 BE MAILED TO THE PROPERTY TAXPAYERS OF RECORD IN THE PROPOSED
7 ENTERPRISE ZONE NOT LESS THAN 20 DAYS BEFORE THE HEARING.
8 FAILURE TO RECEIVE THE NOTICE DOES NOT INVALIDATE THE HEARING.
9 THE NOTICE SHALL STATE THE DATE, TIME, AND PLACE OF THE HEARING,
10 AND SHALL DESCRIBE THE BOUNDARIES OF THE PROPOSED ENTERPRISE
11 ZONE. A CITIZEN, TAXPAYER, OR PROPERTY OWNER OF THE LOCAL GOV-
12 ERNMENTAL UNIT HAS THE RIGHT TO BE HEARD IN REGARD TO THE ESTAB-
13 LISHMENT OF THE ENTERPRISE ZONE AND THE PROPOSED BOUNDARIES.

14 (3) AFTER THE PUBLIC HEARING REQUIRED BY SUBSECTION (2), IF
15 THE GOVERNING BODY OF THE LOCAL GOVERNMENTAL UNIT INTENDS TO PRO-
16 CEED WITH THE ESTABLISHMENT OF THE ENTERPRISE ZONE, IT SHALL
17 ADOPT, BY MAJORITY VOTE OF ITS MEMBERS ELECTED AND SERVING, AN
18 ORDINANCE ESTABLISHING THE ENTERPRISE ZONE. THE ORDINANCE SHALL
19 INCLUDE THE BOUNDARIES OF THE ZONE AND A FINDING THAT THE ZONE
20 MEETS THE REQUIREMENTS OF THIS ACT.

21 (4) AN ENTERPRISE ZONE ESTABLISHED AFTER 1992 SHALL MEET THE
22 FOLLOWING APPLICABLE CRITERIA:

23 (A) THE BOUNDARIES OF THE ENTERPRISE ZONE SHALL BE COMPACT
24 AND CONTIGUOUS.

25 (B) IF THE LOCAL GOVERNMENTAL UNIT HAS MORE THAN 130 SQUARE
26 MILES, THE LOCAL GOVERNMENTAL UNIT SHALL HAVE NOT MORE THAN 3
27 ZONES.

1 (C) IF THE LOCAL GOVERNMENTAL UNIT HAS BETWEEN 11 AND 130
2 SQUARE MILES, THE LOCAL GOVERNMENTAL UNIT SHALL HAVE NOT MORE
3 THAN 2 ZONES.

4 (D) IF THE LOCAL GOVERNMENTAL UNIT HAS LESS THAN 11 SQUARE
5 MILES, THE LOCAL GOVERNMENTAL UNIT SHALL HAVE ONLY 1 ZONE.

6 (E) NOT MORE THAN 10% OF THE LOCAL GOVERNMENTAL UNIT'S LAND
7 AREA SHALL BE DEVOTED TO ENTERPRISE ZONES. HOWEVER, THIS LIMIT
8 IS INCREASED BY 1 PERCENTAGE POINT FOR EACH 2% REDUCTION IN THE
9 AD VALOREM PROPERTY TAX MILLAGE RATE LEVIED BY THE LOCAL GOVERN-
10 MENTAL UNIT FOR ALL PURPOSES, BUT SHALL NOT BE INCREASED TO MORE
11 THAN 20% OF THE LOCAL GOVERNMENTAL UNIT. IN ADDITION, THIS LIMIT
12 IS DECREASED BY 1 PERCENTAGE POINT FOR EACH 2% INCREASE IN THE AD
13 VALOREM PROPERTY TAX MILLAGE RATE LEVIED BY THE LOCAL GOVERNMEN-
14 TAL UNIT FOR ALL PURPOSES, BUT SHALL NOT BE DECREASED TO LESS
15 THAN 10% OF THE LOCAL GOVERNMENTAL UNIT. AN ENTERPRISE ZONE
16 PROPERLY ESTABLISHED SHALL REMAIN IN EFFECT DESPITE A SUBSEQUENT
17 INCREASE IN THE LOCAL GOVERNMENTAL UNIT'S MILLAGE RATE.

18 Sec. 12. If a local governmental unit qualifies under sec-
19 tion 8 and its ~~legislative~~ GOVERNING body approves the bounda-
20 ries of a proposed enterprise zone, the local governmental unit
21 may file with the authority an application, in a form provided by
22 the authority, to have the area approved as an enterprise zone.
23 The application shall contain all of the following:

24 (a) ~~The policy of the local governmental unit for the~~
25 ~~granting of property tax exemptions pursuant to each of the~~
26 ~~following:~~ AN EXPLANATION OF WHY THE AREA WAS CHOSEN TO BE AN
27 ENTERPRISE ZONE.

~~(i) Act No. 198 of the Public Acts of 1974, being sections 207.551 to 207.571 of the Michigan Compiled Laws.~~

~~(ii) Act No. 438 of the Public Acts of 1976, being sections 207.601 to 207.615 of the Michigan Compiled Laws.~~

~~(iii) The commercial redevelopment act, Act No. 255 of the Public Acts of 1978, being sections 207.651 to 207.668 of the Michigan Compiled Laws.~~

~~(b) The extent of~~ A DESCRIPTION OF THE commitment by the local governmental unit ~~for an increase in the level of~~ TO IMPROVE THE efficiency of the local services PROVIDED, such as transportation, road improvement or maintenance, police protection, and other similar services AND A DESCRIPTION OF THE ADDITIONAL SERVICES THAT WILL BE PROVIDED AS A RESULT OF THE AREA BEING DESIGNATED AN ENTERPRISE ZONE.

~~(c) A STATEMENT OF commitment to apply local ordinances relative to zoning, construction, and safety in a manner which THAT preserves and protects the health, safety, and welfare of residents of the local governmental unit. , but which provides for flexibility in application and enforcement so as to promote economic development and to simplify or streamline local governmental requirements on entrepreneurs, employers, and employees.~~

(d) The extent to which the local governmental unit's economic development and land use planning resources are provided to private entities involved with the area proposed as an enterprise zone.

(e) Sufficient evidence for a determination of eligibility by the authority pursuant to section 13.

1 (f) A map showing the proposed enterprise zone boundaries
2 and the present land use of the area, and information concerning
3 the present physical condition of buildings within the area.

4 (g) A general description of how approval of the enterprise
5 zone will improve physical conditions in the area, will induce
6 private investment in the area by businesses and industries, and
7 will create jobs in the proposed enterprise zone.

8 (h) Evidence of support for approval of the enterprise zone
9 by residents and businesses located within the local governmental
10 unit and within the proposed enterprise zone.

11 (I) A COMMITMENT THAT THE LOCAL GOVERNMENTAL UNIT'S ECONOMIC
12 DEVELOPMENT AND LAND USE PLANNING RESOURCES WILL BE PROVIDED TO
13 PRIVATE ENTITIES INVOLVED WITH THE AREA PROPOSED AS AN ENTERPRISE
14 ZONE.

15 (J) THE IDENTIFICATION OF AN INDIVIDUAL FROM THE LOCAL GOV-
16 ERNMENTAL UNIT WHO WILL SERVE AS AN ENTERPRISE ZONE CONTACT WITH
17 THE AUTHORITY.

18 (K) A GENERAL DESCRIPTION OF THE STRUCTURE, APPLICATION PRO-
19 CESS, RESPONSIBILITIES, AND AUTHORITY THAT WILL BE USED TO MANAGE
20 ALL ZONE-RELATED ACTIVITIES, INCLUDING, BUT NOT LIMITED TO, HOW
21 THE ZONE WILL BE PROMOTED AND ANY GOVERNING ORGANIZATIONS THAT
22 WILL BE EMPLOYED TO MANAGE THE OPERATION OF THE ZONE.

23 (L) A REPORT INDICATING WHETHER ANY OF THE FISCAL DISTRESS
24 CONDITIONS LISTED IN SECTION 14(2) OF THE LOCAL GOVERNMENT FISCAL
25 RESPONSIBILITY ACT, ACT NO. 72 OF THE PUBLIC ACTS OF 1990, BEING
26 SECTION 141.1214 OF THE MICHIGAN COMPILED LAWS, EXIST, OR HAVE

1 OCCURRED IN THE PAST 2 YEARS, OR ARE LIKELY TO EXIST OR OCCUR IN
2 THE LOCAL GOVERNMENTAL UNIT.

3 (M) ~~-(i)-~~ Other relevant information from the local govern-
4 mental unit as required by the authority.

5 Sec. 13. (1) Upon receipt of an application from a local
6 governmental unit, the authority shall review the application
7 and, by resolution, shall approve or reject the application based
8 upon criteria set forth in this act.

9 (2) If the authority rejects an application, the authority
10 shall return the application to the local governmental unit along
11 with the resolution of rejection ~~which shall include~~ THAT
12 INCLUDES a statement of the reason for rejection. A local gov-
13 ernmental unit may resubmit a rejected application.

14 (3) WITHIN 6 MONTHS AFTER THE AUTHORITY'S APPROVAL OF A
15 QUALIFIED LOCAL GOVERNMENTAL UNIT'S ENTERPRISE ZONE APPLICATION
16 OR JANUARY 1, 1994, WHICHEVER IS LATER, THE LOCAL GOVERNMENTAL
17 UNIT SHALL SUBMIT A LONG-RANGE PLAN THAT HAS BEEN APPROVED BY THE
18 GOVERNING BODY OF THE LOCAL GOVERNMENTAL UNIT OUTLINING ANY
19 ACTIONS NEEDED TO BE TAKEN TO REMEDY THE FISCAL DISTRESS CONDI-
20 TIONS REPORTED TO THE AUTHORITY AND TO BALANCE FUTURE EXPENDI-
21 TURES WITH ANTICIPATED REVENUES. THE LOCAL GOVERNMENTAL UNIT
22 ANNUALLY SHALL SUBMIT TO THE AUTHORITY AN EVALUATION OF THE PER-
23 FORMANCE OF THE LOCAL GOVERNMENTAL UNIT AGAINST THE LONG-RANGE
24 PLAN SUBMITTED TO THE AUTHORITY, INCLUDING MANAGEMENT MEASURES
25 THAT HAVE BEEN TAKEN TO IMPROVE THE FISCAL MANAGEMENT OF THE
26 LOCAL GOVERNMENTAL UNIT.

1 (4) IF THE AUTHORITY APPROVES THE APPLICATION, THE LOCAL
2 GOVERNMENTAL UNIT HAS 2 YEARS FROM DATE OF APPROVAL OR JULY 1,
3 1995, WHICHEVER IS LATER, TO PREPARE A COMPREHENSIVE DEVELOPMENT
4 PLAN FOR THE ENTERPRISE ZONE. THE COMPREHENSIVE DEVELOPMENT PLAN
5 SHALL ADDRESS THE NEEDS OF THE ZONE AND INCLUDE A STRATEGY FOR
6 ACHIEVING THE GOALS OF THE ZONE. THE COMPREHENSIVE DEVELOPMENT
7 PLAN SHALL CONTAIN ALL OF THE FOLLOWING:

8 (A) A LEGAL DESCRIPTION OF THE ENTERPRISE ZONE, A DESCRIP-
9 TION OF THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER
10 PUBLIC FACILITIES WITHIN THE ZONE, AND A DESCRIPTION OF THE LOCA-
11 TION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRI-
12 VATE LAND USES EXISTING AND PROPOSED FOR THE ENTERPRISE ZONE,
13 INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDU-
14 CATIONAL, AND OTHER USES.

15 (B) A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN
16 STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES TO BE MADE
17 IN THE ENTERPRISE ZONE.

18 (C) A DESCRIPTION OF PUBLIC IMPROVEMENTS TO BE MADE IN THE
19 ENTERPRISE ZONE, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS
20 NECESSARY TO MAKE THOSE IMPROVEMENTS, AND AN ESTIMATE OF THE TIME
21 BY CONSTRUCTION STAGE REQUIRED FOR COMPLETION OF THE
22 IMPROVEMENTS.

23 (D) AN ESTIMATE OF THE COST OF THE PROPOSED PHYSICAL
24 IMPROVEMENTS, A STATEMENT OF THE PROPOSED METHOD OF FINANCING,
25 AND THE ABILITY OF THE LOCAL GOVERNMENTAL UNIT TO ARRANGE THE
26 FINANCING.

1 (E) A DESCRIPTION OF ANY PARTS OF THE ENTERPRISE ZONE TO BE
2 LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE.

3 (F) AN ENVIRONMENTAL EVALUATION OF EACH PROPOSED ENTERPRISE
4 ZONE.

5 (G) A DESCRIPTION OF ANY REAL PROPERTY IN THE ENTERPRISE
6 ZONE THAT THE LOCAL GOVERNMENTAL UNIT DESIRES TO SELL, DONATE,
7 EXCHANGE, OR LEASE TO OR FROM ANOTHER ENTITY AND THE PROPOSED
8 TERMS.

9 (H) ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE
10 ENTERPRISE ZONE AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE
11 DISPLACED, IF ANY, AS A RESULT OF IMPROVEMENTS.

12 (I) PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED
13 BY THE ZONE IMPROVEMENTS, AND FINANCIAL ASSISTANCE AND REIMBURSE-
14 MENT OF EXPENSES, INCLUDING LITIGATION EXPENSES AND EXPENSES
15 INCIDENT TO THE TRANSFER OF TITLE, IN ACCORDANCE WITH THE STAN-
16 DARDS AND PROVISIONS OF THE UNIFORM RELOCATION ASSISTANCE AND
17 REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, PUBLIC LAW
18 91-646, 42 U.S.C. 4601 TO 4602, 4604, 4621 TO 4633, 4635 TO 4636,
19 4638, AND 4651 TO 4655, AS WELL AS A PLAN FOR COMPLIANCE WITH ACT
20 NO. 227 OF THE PUBLIC ACTS OF 1972, BEING SECTIONS 213.321 TO
21 213.332 OF THE MICHIGAN COMPILED LAWS.

22 (J) A STRATEGY FOR ADDRESSING THE PRE-EMPLOYMENT TRAINING
23 NEEDS AND EMPLOYMENT OF RESIDENTS IN THE ZONE.

24 (K) OTHER MATERIAL THAT THE LOCAL GOVERNMENTAL UNIT OR
25 AUTHORITY CONSIDERS PERTINENT.

26 (5) THE GOVERNING BODY OF THE LOCAL GOVERNMENTAL UNIT,
27 BEFORE ADOPTION OF A RESOLUTION APPROVING A COMPREHENSIVE

1 DEVELOPMENT PLAN, SHALL HOLD A PUBLIC HEARING ON THE DEVELOPMENT
2 PLAN. NOTICE OF THE TIME AND PLACE OF THE HEARING SHALL BE GIVEN
3 BY PUBLICATION TWICE IN A NEWSPAPER OF GENERAL CIRCULATION DESIG-
4 NATED BY THE LOCAL GOVERNMENTAL UNIT, THE FIRST OF WHICH SHALL
5 NOT BE LESS THAN 20 DAYS BEFORE THE DATE SET FOR THE HEARING.
6 NOTICE SHALL ALSO BE MAILED TO ALL PROPERTY TAXPAYERS OF RECORD
7 IN THE DEVELOPMENT AREA NOT LESS THAN 20 DAYS BEFORE THE
8 HEARING.

9 (6) AFTER A PUBLIC HEARING ON THE COMPREHENSIVE DEVELOPMENT
10 PLAN, THE GOVERNING BODY OF THE LOCAL GOVERNMENTAL UNIT SHALL
11 APPROVE OR REJECT THE PLAN, OR APPROVE IT WITH MODIFICATION, BY
12 RESOLUTION. THE LOCAL GOVERNMENTAL UNIT SHALL THEN SEND THE COM-
13 PREHENSIVE DEVELOPMENT PLAN TO THE AUTHORITY WITH A REQUEST FOR
14 ITS APPROVAL.

15 (7) AFTER RECEIPT OF THE COMPREHENSIVE DEVELOPMENT PLAN, THE
16 AUTHORITY SHALL APPROVE OR REJECT THE PLAN. IF THE AUTHORITY
17 REJECTS THE PLAN, THE AUTHORITY SHALL RETURN IT TO THE GOVERNING
18 BODY OF THE LOCAL GOVERNMENTAL UNIT WITH A WRITTEN EXPLANATION OF
19 ITS REJECTION. A REJECTED PLAN MAY BE RESUBMITTED. IF THE
20 AUTHORITY APPROVES THE PLAN, THE AUTHORITY SHALL SEND A FORMAL
21 NOTIFICATION OF ITS APPROVAL TO THE GOVERNING BODY OF THE LOCAL
22 GOVERNMENTAL UNIT.

23 (8) UPON PLAN APPROVAL BY THE AUTHORITY, THE LOCAL GOVERN-
24 MENTAL UNIT MAY SPEND ZONE-RELATED TAX REVENUE ON PHYSICAL
25 IMPROVEMENTS WITHIN THE ZONE.

1 (9) THE AUTHORITY MAY REVOKE THE APPROVAL OF AN AREA OF A
2 LOCAL GOVERNMENTAL UNIT AS AN ENTERPRISE ZONE IF THE LOCAL
3 GOVERNMENTAL UNIT FAILS TO COMPLY WITH THIS ACT.

4 Sec. 14. (1) THIS SECTION APPLIES ONLY TO A BUSINESS THAT
5 APPLIES FOR CERTIFICATION AS A QUALIFIED BUSINESS IN AN ENTER-
6 PRISE ZONE THAT WAS CREATED BEFORE 1993.

7 (2) ~~-(1)-~~ A business that plans to meet the construction,
8 restoration, alteration, or renovation requirements for, and that
9 does meet the other conditions for, a qualified business pre-
10 scribed in this act may apply to the local governmental unit in
11 which the business will be located as a qualified business for
12 certification as a qualified business.

13 (3) ~~-(2)-~~ If a business applying under subsection ~~-(1)-~~ (2)
14 meets the conditions for a qualified business prescribed by this
15 act, other than the construction, restoration, alteration, and
16 renovation requirements, that local governmental unit shall cer-
17 tify the business as a qualified business, subject to final
18 approval of the certification by the authority.

19 (4) ~~-(3)-~~ If a local governmental unit approves a certifica-
20 tion, the local governmental unit shall forward the application
21 and certification to the authority. If a local governmental unit
22 rejects an application, the local governmental unit shall return
23 the application to the business with a written statement of the
24 reasons for rejection.

25 (5) ~~-(4)-~~ A business whose application for certification as
26 a qualified business is rejected by a local governmental unit may

1 submit another application to the local governmental unit or may
2 appeal the rejection to the authority.

3 (6) ~~-(5)-~~ If a business that is certified to or appeals to
4 the authority meets the conditions for a qualified business pre-
5 scribed by this act, other than the construction, restoration,
6 alteration, and renovation requirements, the authority shall
7 approve the certification of that business as a qualified
8 business. If the authority rejects the application or appeal,
9 the authority shall return the application or appeal to the busi-
10 ness with a written statement of the reasons for rejection. A
11 business whose application is rejected by the authority may
12 resubmit the application ~~or may take other action that the busi-~~
13 ~~ness considers necessary to obtain certification as a qualified~~
14 ~~business~~ TO THE AUTHORITY.

15 (7) ~~-(6)-~~ A local governmental unit or the authority shall
16 not certify a business as a qualified business after 8 years
17 after the date on which the authority approves the first area as
18 an enterprise zone.

19 SEC. 14A. (1) THIS SECTION APPLIES ONLY TO A BUSINESS THAT
20 APPLIES FOR CERTIFICATION AS A QUALIFIED BUSINESS IN AN ENTER-
21 PRISE ZONE THAT WAS CREATED AFTER 1992.

22 (2) THE OWNER OR LESSEE OF A FACILITY MAY FILE AN APPLICA-
23 TION FOR CERTIFICATION AS A QUALIFIED BUSINESS WITHIN THE ENTER-
24 PRISE ZONE WITH THE CLERK OF THE LOCAL GOVERNMENTAL UNIT THAT
25 ESTABLISHED THE ZONE. THE APPLICATION SHALL BE FILED IN THE
26 MANNER AND FORM PRESCRIBED BY THE AUTHORITY. THE APPLICATION
27 SHALL CONTAIN OR BE ACCOMPANIED BY A GENERAL DESCRIPTION OF THE

1 FACILITY, A GENERAL DESCRIPTION OF THE PROPOSED USE OF THE
2 FACILITY, AND A TIME SCHEDULE FOR UNDERTAKING AND COMPLETING REN-
3 OVATION OF THE FACILITY. THE APPLICATION SHALL ALSO INCLUDE
4 ESTIMATES OF THE NUMBER OF NEW JOBS EXPECTED TO BE CREATED AND OF
5 THE AMOUNT OF MONEY EXPECTED TO BE SPENT ON LAND, EQUIPMENT, AND
6 BUILDING ACQUISITION AND CONSTRUCTION.

7 (3) UPON RECEIPT OF AN APPLICATION FOR CERTIFICATION AS A
8 QUALIFIED BUSINESS, THE CLERK OF THE LOCAL GOVERNMENTAL UNIT
9 SHALL NOTIFY IN WRITING THE CITIZENS' COUNCIL AND THE ASSESSOR OF
10 THE ASSESSING UNIT IN WHICH THE ZONE IS LOCATED OF THE
11 APPLICATION.

12 (4) IF THE CITIZENS' COUNCIL DOES NOT TAKE ACTION TO DISAP-
13 PROVE THE APPLICATION WITHIN 30 DAYS AFTER RECEIPT OF THE APPLI-
14 CATION, THE APPLICATION IS AUTOMATICALLY APPROVED. A COPY OF THE
15 APPROVED APPLICATION SHALL BE FILED WITH THE AUTHORITY.

16 (5) IF THE CITIZENS' COUNCIL REJECTS THE APPLICATION FOR
17 CERTIFICATION OF A BUSINESS AS A QUALIFIED BUSINESS, THE
18 CITIZENS' COUNCIL SHALL NOTIFY THAT BUSINESS AND THE AUTHORITY OF
19 ITS REJECTION. A BUSINESS WHOSE APPLICATION IS REJECTED MAY
20 SUBMIT ANOTHER APPLICATION TO THE CLERK OF THE LOCAL GOVERNMENTAL
21 UNIT OR MAY APPEAL THE REJECTION TO THE AUTHORITY.

22 (6) IF A BUSINESS APPEALS TO THE AUTHORITY AND MEETS THE
23 CONDITIONS FOR A QUALIFIED BUSINESS PRESCRIBED BY THIS ACT, THE
24 AUTHORITY SHALL APPROVE THE CERTIFICATION OF THAT BUSINESS AS A
25 QUALIFIED BUSINESS. IF THE AUTHORITY REJECTS THE APPLICATION OR
26 APPEAL, THE AUTHORITY SHALL RETURN THE APPLICATION OR APPEAL TO
27 THE BUSINESS WITH A WRITTEN EXPLANATION OF THE REASONS FOR

1 REJECTION. A BUSINESS WHOSE APPLICATION IS REJECTED BY THE
2 AUTHORITY MAY RESUBMIT THE APPLICATION TO THE AUTHORITY.

3 (7) A FACILITY IS NOT ELIGIBLE FOR CERTIFICATION AS A QUALI-
4 FIED BUSINESS IF THE FACILITY IS TO BE BUILT SOLELY ON PROPERTY
5 THAT HAS NEVER HAD A STRUCTURE ON IT.

6 (8) A LOCAL GOVERNMENTAL UNIT OR THE AUTHORITY SHALL NOT
7 CERTIFY A BUSINESS AS A QUALIFIED BUSINESS AFTER 6 YEARS AFTER
8 THE DATE ON WHICH THE AUTHORITY APPROVES THE FIRST AREA IN THAT
9 LOCAL GOVERNMENTAL UNIT AS AN ENTERPRISE ZONE.

10 (9) A LOCAL GOVERNMENTAL UNIT OR THE AUTHORITY MAY REVOKE
11 THE CERTIFICATION OF A QUALIFIED BUSINESS FOR NONCOMPLIANCE WITH
12 THE ACT, INCLUDING THE FAILURE TO PAY THE TAX LEVIED UNDER
13 SECTION 21A. REVOCATION BY A LOCAL GOVERNMENTAL UNIT MAY BE
14 APPEALED TO THE AUTHORITY WHICH SHALL THEN APPROVE OR DISAPPROVE
15 THE REVOCATION.

16 Sec. 15. Before being entitled to certification as a quali-
17 fied business IN AN ENTERPRISE ZONE CREATED BEFORE 1993, a busi-
18 ness shall certify to the local governmental unit in writing at
19 least all of the following:

20 (a) The minimum number of new jobs ~~which~~ THAT will be cre-
21 ated by the business as a qualified business and the duration of
22 those jobs.

23 (b) The minimum amount of investment ~~which~~ THAT will be
24 made in the enterprise zone.

25 (c) Each exemption, credit, or deduction to which the busi-
26 ness will be entitled as a qualified business and the duration of
27 each exemption, credit, or deduction.

1 (d) That the business is aware that violation of the terms
2 of this act or the certification under this section may result in
3 revocation of its certification as a qualified business.

4 (e) That location of the new facility or qualified new busi-
5 ness in the enterprise zone will not have the effect of transfer-
6 ring employment from another local governmental unit, ~~or from a~~
7 ~~township or village,~~ or if employment will be transferred, the
8 name of each local governmental unit ~~, township, or village~~
9 from which employment will be transferred.

10 Sec. 16. If the location of a new facility or qualified new
11 business in an enterprise zone THAT WAS CREATED BEFORE 1993 will
12 have the effect of transferring employment from another local
13 governmental unit, ~~or a township or village,~~ a business shall
14 not be certified as a qualified business unless the ~~legislative~~
15 GOVERNING body of each local governmental unit ~~, township, or~~
16 ~~village~~ from which employment will be transferred consents by
17 resolution to the certification.

18 Sec. 17. (1) ~~A~~ EXCEPT AS PROVIDED IN SUBSECTION (6), A
19 resident of an enterprise zone, a business located within an
20 enterprise zone, or the authority may allege to the local govern-
21 mental unit noncompliance with this act, including, but not
22 limited to, noncompliance by a qualified business with a certifi-
23 cation made by the business under section 15 or noncompliance by
24 the local governmental unit.

25 (2) A local governmental unit shall attempt to resolve alle-
26 gations of noncompliance without formal proceedings. If an
27 allegation is not resolved by the local governmental unit within

1 120 days, the alleging party may request a hearing or may file
2 the allegation with the authority.

3 (3) Within 30 days after holding a hearing concerning an
4 allegation of noncompliance and subject to appeal to the authori-
5 ty, the local governmental unit shall take the action it consid-
6 ers necessary to remedy the noncompliance. This action may
7 include, but is not limited to, the revocation of the certifica-
8 tion of a qualified business. Unless the authority orders other-
9 wise upon an appeal, revocation of certification by the local
10 governmental unit is revocation by the authority.

11 (4) The authority shall attempt to resolve an allegation of
12 noncompliance without formal proceedings. If the allegation is
13 not resolved within 60 days after it is filed with the authority,
14 the authority shall hold a hearing regarding the alleged
15 noncompliance.

16 (5) Within 30 days after a hearing on an allegation, the
17 authority shall render a decision regarding the allegation and
18 may issue any order the authority considers necessary to remedy
19 the noncompliance. The order may include, but is not limited to,
20 revocation of the certification of a qualified business or, if a
21 local governmental unit is in substantial noncompliance, revoca-
22 tion of approval of the enterprise zone.

23 (6) THIS SECTION APPLIES ONLY TO ALLEGATIONS OF NONCOMPLI-
24 ANCE BY A QUALIFIED BUSINESS LOCATED IN AN ENTERPRISE ZONE THAT
25 WAS CREATED BEFORE 1993.

26 Sec. 19. An exemption ~~—~~ OR credit ~~— or deduction~~
27 granted to a qualified business shall continue until the

1 certification of ~~a~~ THE qualified business is revoked, as
 2 provided in this act; ~~, for 10 years~~ OR, FOR A BUSINESS LOCATED
 3 IN AN ENTERPRISE ZONE THAT WAS CREATED BEFORE 1993, 10 YEARS FROM
 4 THE DATE THAT THE BUSINESS IS CERTIFIED AS A QUALIFIED BUSINESS
 5 OR, FOR A BUSINESS LOCATED IN AN ENTERPRISE ZONE THAT WAS CREATED
 6 AFTER 1992, 12 YEARS from the date that the business is certified
 7 as a qualified business. ~~or as otherwise specified by law.~~ Even
 8 if approval of an enterprise zone is revoked by the authority as
 9 provided in this act, an exemption ~~, OR credit , or deduction~~
 10 granted to a qualified business located in that enterprise zone
 11 shall continue until revoked or until the 10-year, 12-YEAR, or
 12 other specified period elapses.

13 Sec. 20. (1) ~~Unless~~ FOR A QUALIFIED BUSINESS LOCATED IN
 14 AN ENTERPRISE ZONE THAT WAS CREATED BEFORE 1993, UNLESS the cer-
 15 tification of ~~a~~ THE qualified business is revoked as provided
 16 in this act, for 10 years from the date on which construction,
 17 restoration, alteration, or renovation begins, a new facility
 18 owned by ~~a~~ THE qualified existing business or industrial or
 19 commercial property located in an enterprise zone owned by ~~a~~
 20 THE qualified new business is exempt from ad valorem real and
 21 personal property taxes imposed under the general property tax
 22 act. For a qualified existing business certified after June 1,
 23 1990 and for ~~the~~ purposes of this ~~section~~ SUBSECTION only, a
 24 new facility includes only the portion of the existing property
 25 attributable to the restoration, alteration, or renovation.

26 (2) FOR A QUALIFIED BUSINESS LOCATED IN AN ENTERPRISE ZONE
 27 THAT WAS CREATED AFTER 1992, UNLESS THE CERTIFICATION OF THE

1 QUALIFIED BUSINESS IS REVOKED AS PROVIDED IN THIS ACT, AND EXCEPT
2 AS PROVIDED IN SECTION 21A(8), FOR 12 YEARS FROM THE DATE OF CER-
3 TIFICATION, A FACILITY OWNED BY THE QUALIFIED BUSINESS IS EXEMPT
4 FROM AD VALOREM REAL AND PERSONAL PROPERTY TAXES IMPOSED UNDER
5 THE GENERAL PROPERTY TAX ACT.

6 Sec. 20a. (1) Commercial, industrial, or utility property
7 that is located in the area comprising an enterprise zone at the
8 time the area is approved as an enterprise zone and that is not
9 exempt under section 20 or 20b is exempt from ad valorem real and
10 personal property taxes imposed through the year 2004 under the
11 general property tax act.

12 (2) The exemption allowed by this section applies only to
13 commercial, industrial, or utility property located IN AN ENTER-
14 PRISE ZONE THAT WAS CREATED BEFORE 1993 AND THAT IS LOCATED in a
15 local governmental unit that complies with all of the following:

16 (a) The ~~legislative~~ GOVERNING body of the local governmen-
17 tal unit in cooperation with the local governmental unit's chief
18 executive officer develops a comprehensive development plan that
19 addresses the needs of the local governmental unit, ~~and~~ that
20 includes a strategy for achieving the goals of the local govern-
21 mental unit and its residents and businesses, AND THAT MEETS THE
22 REQUIREMENTS OF SECTION 13. The development plan shall contain a
23 spending plan, approved by a resolution of the authority, for the
24 additional money received as a result of the amendments to this
25 act made by the amendatory act that added this section. Money
26 included in the spending plan is also subject to the annual

1 appropriation process of the local governmental unit as required
2 by law.

3 (b) The local governmental unit creates and compensates the
4 position of an enterprise zone assistant to oversee development
5 of the spending plan required in subdivision (a) and to aid in
6 other economic development efforts.

7 (c) The local governmental unit uses not less than 10% of
8 the money distributed under the spending plan to create a revolv-
9 ing loan fund for small businesses that have difficulty obtaining
10 financing in existing markets.

11 Sec. 20b. Property that is located in the area comprising
12 an enterprise zone at the time the area is approved as an enter-
13 prise zone and for which an exemption certificate under Act
14 No. 198 of the Public Acts of 1974, being sections 207.551 to
15 207.571 of the Michigan Compiled Laws, is approved before
16 January 1, 1992, and revoked after April 1, 1990, IF THE PROPERTY
17 IS LOCATED IN AN ENTERPRISE ZONE THAT WAS CREATED BEFORE 1993, OR
18 FOR WHICH AN EXEMPTION CERTIFICATE IS APPROVED BEFORE JANUARY 1,
19 1994, AND REVOKED AFTER JULY 1, 1993, IF THE PROPERTY IS LOCATED
20 IN AN ENTERPRISE ZONE THAT WAS CREATED AFTER 1992, at the request
21 of the owner is exempt from ad valorem real and personal property
22 taxes imposed under the general property tax act either for the
23 balance of the period for which the exemption certificate under
24 Act No. 198 of the Public Acts of 1974 had been issued or for a
25 period of 10 years after the date of revocation, whichever is
26 less.

1 Sec. 21. (1) THIS SECTION APPLIES ONLY TO AN OWNER OF
2 PROPERTY LOCATED IN AN ENTERPRISE ZONE THAT WAS CREATED BEFORE
3 1993.

4 (2) ~~-(1)-~~ A specific tax is levied in each year upon an
5 owner of property exempted under section ~~-20-~~ 20(1) or 20b, the
6 amount of which is determined by multiplying 50% of the average
7 rate of taxation levied upon other property upon which ad valorem
8 taxes are assessed as determined by the state board of assessors
9 under section 13 of Act No. 282 of the Public Acts of 1905, being
10 section 207.13 of the Michigan Compiled Laws, by the state equal-
11 ized valuation of that property excluding the exemptions granted
12 by this act.

13 (3) ~~-(2)-~~ A specific tax is levied in each year upon an
14 owner of property exempted under section 20a, the amount of which
15 is determined by multiplying the total millage levied as ad
16 valorem real and personal property taxes for that year by all
17 taxing units within which the property is located by the state
18 equalized valuation of that property excluding the exemptions
19 granted by this act.

20 (4) ~~-(3)-~~ The tax levied under subsection ~~-(1)-~~ (2) is an
21 annual tax payable at the same times, in the same installments,
22 and to the same officer or officers as taxes imposed under the
23 general property tax act are payable. The officer or officers
24 shall disburse the tax payments received each year under
25 subsection ~~-(1)-~~ (2), at the same times as taxes imposed under
26 the general property tax act are disbursed, to the local
27 governmental unit in which the property is located.

1 (5) ~~-(4)-~~ The tax levied under subsection ~~-(2)-~~ (3) is an
2 annual tax payable to the same officer or officers as taxes
3 imposed under the general property tax act with 1/2 of the tax
4 levied on July 1 and 1/2 levied on December 1. The officer or
5 officers shall disburse the tax payments received each year under
6 subsection ~~-(2)-~~ (3) to the same local governmental unit, school
7 districts, county, and authorities at the same times and in the
8 same proportions as required by law for the disbursement of taxes
9 collected under the general property tax act, except for the
10 following:

11 (a) The amount that would otherwise be disbursed to a local
12 school district for school operating purposes shall be paid
13 instead to the local governmental unit in which the property is
14 located.

15 (b) There shall be paid to the local governmental unit in
16 which the property is located a portion of the tax that would
17 otherwise not be paid to the local governmental unit equal to the
18 proportion of ad valorem property taxes levied on commercial and
19 industrial property in the year before the exemption under
20 section 20a first applies which proportion was captured under a
21 tax increment financing plan.

22 (6) ~~-(5)-~~ A local governmental unit that receives money
23 under subsection ~~-(4)-~~ (5) may enter into an agreement with any
24 of the following:

25 (a) A downtown development authority or tax increment
26 finance authority to share a portion of the money received by the
27 local governmental unit under subsection ~~-(4)-~~ (5) in not more

1 than the same proportion that the authority would have received
2 if the tax levied under subsection ~~-(2)-~~ (3) could be captured
3 under a tax increment financing plan.

4 (b) A taxing unit that receives revenue under
5 subsection ~~-(4)-~~ (5) to share a portion of the money received by
6 the local governmental unit under subsection ~~-(4)-~~ (5) not to
7 exceed the taxing unit's net reduction in revenue pursuant to the
8 exemption under section 20a.

9 (7) ~~-(6)-~~ The owner of property subject to the tax under
10 subsection ~~-(2)-~~ (3) may claim a credit against the tax levied on
11 December 1 under subsection ~~-(2)-~~ (3) for the sum of all the fol-
12 lowing, but not more than the amount by which the tax levied for
13 the year under subsection ~~-(2)-~~ (3) exceeds the amount determined
14 by multiplying the average rate of taxation levied upon other
15 property upon which ad valorem taxes are assessed as determined
16 by the state board of assessors under section 13 of Act No. 282
17 of the Public Acts of 1905 by the state equalized valuation of
18 that property excluding the exemptions granted by this act:

19 (a) The amount spent in the year to restore, alter, reno-
20 vate, or improve real property located in the enterprise zone.

21 (b) Fifteen percent of wages paid during the year to resi-
22 dents of the enterprise zone who were hired by the owner after
23 May 24, 1990 and who were employed at some time during the 6
24 months before being hired.

25 (c) Twenty-five percent of wages paid during the year to
26 residents of the enterprise zone who were hired by the owner

1 after May 24, 1990 and who were not employed at any time during
2 the 6 months before being hired.

3 (d) Cash and in-kind contributions made by that owner during
4 the year to and accepted by a local taxing unit located in the
5 enterprise zone.

6 (8) ~~-(7)-~~ The amount of the tax levied upon real property
7 under subsection ~~-(1)-or-~~ (2) OR (3), until paid, is a lien upon
8 the real property upon which the tax is levied. Only after the
9 officer files a certificate of nonpayment of the tax, together
10 with an affidavit of proof of service of the certificate of non-
11 payment upon the owner of the property by certified mail, with
12 the register of deeds of the county in which the property is sit-
13 uated, may proceedings be had upon the lien in the same manner as
14 provided by law for the foreclosure in the circuit court of mort-
15 gage liens upon real property.

16 (9) ~~-(8)-~~ The owner of property who has failed to pay a tax
17 levied under this section is not eligible to claim the credit
18 under subsection ~~-(6)-~~ (7).

19 SEC. 21A. (1) THIS SECTION APPLIES ONLY TO AN OWNER OF
20 PROPERTY LOCATED IN AN ENTERPRISE ZONE THAT WAS CREATED AFTER
21 1992.

22 (2) A SPECIFIC TAX IS LEVIED IN EACH YEAR UPON AN OWNER OF
23 PROPERTY EXEMPTED UNDER SECTION 20(2) OR 20B, THE AMOUNT OF WHICH
24 IS THE SUM OF BOTH OF THE FOLLOWING:

25 (A) THE PRODUCT OF 50% OF THE AVERAGE RATE OF TAXATION
26 LEVIED UPON ALL PROPERTY UPON WHICH AD VALOREM TAXES ARE ASSESSED
27 AS DETERMINED FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR BY THE

1 STATE BOARD OF ASSESSORS UNDER SECTION 13 OF ACT NO. 282 OF THE
2 PUBLIC ACTS OF 1905, BEING SECTION 207.13 OF THE MICHIGAN
3 COMPILED LAWS, MULTIPLIED BY THE INCREASED STATE EQUALIZED VALUA-
4 TION OF THAT PROPERTY EXCLUDING THE EXEMPTIONS GRANTED BY THIS
5 ACT.

6 (B) THE PRODUCT OF THE TOTAL MILLAGE LEVIED AS AD VALOREM
7 REAL AND PERSONAL PROPERTY TAXES FOR THAT YEAR BY ALL TAXING
8 UNITS WITHIN WHICH THE PROPERTY IS LOCATED MULTIPLIED BY THE INI-
9 TIAL STATE EQUALIZED VALUATION OF THAT PROPERTY EXCLUDING THE
10 EXEMPTIONS GRANTED BY THIS ACT.

11 (3) THE TAX LEVIED UNDER SUBSECTION (2) IS AN ANNUAL TAX
12 PAYABLE AT THE SAME TIMES, IN THE SAME INSTALLMENTS, AND TO THE
13 SAME OFFICER OR OFFICERS AS TAXES IMPOSED UNDER THE GENERAL PROP-
14 erty TAX ACT ARE PAYABLE.

15 (4) THE OFFICER OR OFFICERS SHALL DISBURSE THE PORTION OF
16 THE TAX PAYMENTS RECEIVED EACH YEAR CALCULATED UNDER SUBSECTION
17 (2)(A), AT THE SAME TIMES AS TAXES IMPOSED UNDER THE GENERAL
18 PROPERTY TAX ACT ARE DISBURSED, TO THE LOCAL GOVERNMENTAL UNIT IN
19 WHICH THE PROPERTY IS LOCATED TO BE USED SOLELY TO MAKE PUBLIC
20 IMPROVEMENTS WITHIN THE ENTERPRISE ZONE OR TO REPAY OBLIGATIONS
21 OF WHICH THE PROCEEDS ARE USED TO MAKE PUBLIC IMPROVEMENTS WITHIN
22 THE ENTERPRISE ZONE.

23 (5) THE OFFICER OR OFFICERS SHALL DISBURSE THE PORTION OF
24 THE TAX PAYMENTS RECEIVED EACH YEAR CALCULATED UNDER SUBSECTION
25 (2)(B) TO THE SAME LOCAL GOVERNMENTAL UNIT, SCHOOL DISTRICTS,
26 COUNTY, AND AUTHORITIES AT THE SAME TIMES AND IN THE SAME
27 PROPORTIONS AS REQUIRED BY LAW FOR THE DISBURSEMENT OF TAXES

1 COLLECTED UNDER THE GENERAL PROPERTY TAX ACT. HOWEVER, IF THE
2 PROPERTY IS LOCATED IN A TAX INCREMENT FINANCING DISTRICT, THE
3 OFFICER OR OFFICERS SHALL PAY TO THE TAX INCREMENT FINANCING
4 AUTHORITY A PORTION OF THE TAXES PAID, DETERMINED BY MULTIPLYING
5 THE TAXES LEVIED IN THE ENTERPRISE ZONE ON COMMERCIAL AND INDUS-
6 TRIAL PROPERTY AND CAPTURED UNDER A TAX INCREMENT FINANCING PLAN
7 IN THE YEAR BEFORE THE EXEMPTION UNDER SECTION 20(2) FIRST
8 APPLIES IN THE ZONE.

9 (6) THE AMOUNT OF THE TAX LEVIED UPON REAL PROPERTY UNDER
10 SUBSECTION (2), UNTIL PAID, IS A LIEN UPON THE REAL PROPERTY UPON
11 WHICH THE TAX IS LEVIED. ONLY AFTER THE OFFICER FILES A CERTIFI-
12 CATE OF NONPAYMENT OF THE TAX, TOGETHER WITH AN AFFIDAVIT OF
13 PROOF OF SERVICE OF THE CERTIFICATE OF NONPAYMENT UPON THE OWNER
14 OF THE PROPERTY BY CERTIFIED MAIL, WITH THE REGISTER OF DEEDS OF
15 THE COUNTY IN WHICH THE PROPERTY IS SITUATED, MAY PROCEEDINGS BE
16 HAD UPON THE LIEN IN THE SAME MANNER AS PROVIDED BY LAW FOR THE
17 FORECLOSURE IN THE CIRCUIT COURT OF MORTGAGE LIENS UPON REAL
18 PROPERTY.

19 (7) A LOCAL GOVERNMENTAL UNIT, IN ITS ACTION ESTABLISHING
20 THE BOUNDARIES OF ITS ENTERPRISE ZONES, MAY WAIVE THE PORTION OF
21 THE TAX CALCULATED UNDER SUBSECTION (2)(A) ON THE REAL PROPERTY
22 THAT WOULD QUALIFY AS A REPLACEMENT FACILITY UNDER SECTION 2(3)
23 OF ACT NO. 198 OF THE PUBLIC ACTS OF 1974, BEING SECTION 207.552
24 OF THE MICHIGAN COMPILED LAWS.

25 (8) THE OWNER OF PROPERTY WHO HAS FAILED TO PAY A TAX LEVIED
26 UNDER THIS SECTION IS NOT ELIGIBLE FOR THE EXEMPTION UNDER
27 SECTION 20(2) FOR THE SUCCEEDING TAX YEARS.

1 (9) IF A LOCAL OR INTERMEDIATE SCHOOL DISTRICT RECEIVES
2 STATE AID UNDER SECTIONS 21(1), 56, 62, AND 81 OF THE STATE
3 SCHOOL AID ACT OF 1979, ACT NO. 94 OF THE PUBLIC ACTS OF 1979,
4 BEING SECTIONS 388.1621, 388.1656, 388.1662, AND 388.1681 OF THE
5 MICHIGAN COMPILED LAWS, OF THE AMOUNT THAT WOULD OTHERWISE BE
6 DISBURSED UNDER SUBSECTION (5) TO A LOCAL OR INTERMEDIATE SCHOOL
7 DISTRICT, ALL OR A PORTION, TO BE DETERMINED ON THE BASIS OF THE
8 TAX RATES BEING UTILIZED TO COMPUTE THE AMOUNT OF STATE AID,
9 SHALL BE PAID TO THE STATE TREASURY TO THE CREDIT OF THE STATE
10 SCHOOL AID FUND ESTABLISHED BY SECTION 11 OF ARTICLE IX OF THE
11 STATE CONSTITUTION OF 1963. IF AND FOR THE PERIOD THAT THE STATE
12 SCHOOL AID ACT OF 1979, ACT NO. 94 OF THE PUBLIC ACTS OF 1979,
13 BEING SECTIONS 388.1601 TO 388.1772 OF THE MICHIGAN COMPILED
14 LAWS, IS AMENDED OR ITS SUCCESSOR ACT IS ENACTED OR AMENDED TO
15 INCLUDE A PROVISION THAT PROVIDES FOR ADJUSTMENTS IN STATE SCHOOL
16 AID TO ACCOUNT FOR THE RECEIPT OF REVENUES PROVIDED UNDER THIS
17 ACT IN PLACE OF EXEMPTED AD VALOREM PROPERTY TAX, REVENUES
18 REQUIRED TO BE REMITTED OR RETURNED TO THE STATE TREASURY TO THE
19 CREDIT OF THE STATE SCHOOL AID FUND SHALL BE DISTRIBUTED INSTEAD
20 TO THE LOCAL SCHOOL DISTRICTS. IF THE SUM OF ANY INDUSTRIAL
21 FACILITY TAX LEVIED UNDER ACT NO. 198 OF THE PUBLIC ACTS OF 1974,
22 BEING SECTIONS 207.551 TO 207.571 OF THE MICHIGAN COMPILED LAWS,
23 THE COMMERCIAL FACILITIES TAX LEVIED UNDER THE COMMERCIAL REDE-
24 VELOPMENT ACT, ACT NO. 255 OF THE PUBLIC ACTS OF 1978, BEING
25 SECTIONS 207.651 TO 207.668 OF THE MICHIGAN COMPILED LAWS, THE
26 NEIGHBORHOOD ENTERPRISE ZONE TAX LEVIED UNDER THE NEIGHBORHOOD
27 ENTERPRISE ZONE ACT, ACT NO. 147 OF THE PUBLIC ACTS OF 1992,

1 BEING SECTIONS 207.771 TO 207.787 OF THE MICHIGAN COMPILED LAWS,
2 AND THE TAX LEVIED UNDER THIS ACT PAID TO THE STATE TREASURY TO
3 THE CREDIT OF THE STATE SCHOOL AID FUND THAT WOULD OTHERWISE BE
4 DISBURSED TO THE LOCAL OR INTERMEDIATE SCHOOL DISTRICT EXCEEDS
5 THE AMOUNT RECEIVED BY THE LOCAL OR INTERMEDIATE SCHOOL DISTRICT
6 UNDER SECTIONS 21(1), 56, 62, AND 81 OF ACT NO. 94 OF THE PUBLIC
7 ACTS OF 1979, THE DEPARTMENT OF TREASURY SHALL ALLOCATE TO EACH
8 ELIGIBLE LOCAL OR INTERMEDIATE SCHOOL DISTRICT AN AMOUNT EQUAL TO
9 THE DIFFERENCE BETWEEN THE SUM OF THE INDUSTRIAL FACILITY TAX,
10 THE COMMERCIAL FACILITIES TAX, THE NEIGHBORHOOD ENTERPRISE ZONE
11 TAX, AND THE TAX LEVIED UNDER THIS ACT PAID TO THE STATE TREASURY
12 TO THE CREDIT OF THE STATE SCHOOL AID FUND AND THE AMOUNT THE
13 LOCAL OR INTERMEDIATE SCHOOL DISTRICT RECEIVED UNDER
14 SECTIONS 21(1), 56, 62, AND 81 OF ACT NO. 94 OF THE PUBLIC ACTS
15 OF 1979.

16 Sec. 22. (1) If the tax applicable to personal property
17 levied under section 21 OR 21A, AS APPLICABLE, is not paid within
18 the time permitted by law for payment without penalty of taxes
19 imposed under the general property tax act, ~~Act No. 206 of the~~
20 ~~Public Acts of 1893, being sections 211.1 to 211.157 of the~~
21 ~~Michigan Compiled Laws,~~ the officer to whom the tax is first
22 payable may in his or her own name, or in the name of the city,
23 village, township, or county of which he or she is an officer,
24 seize and sell personal property within this state of the owner
25 who has ~~so~~ neglected or refused to pay the tax applicable to
26 personal property, to an amount sufficient to pay the tax, the
27 expenses of sale, and interest on the tax at the rate of 9% per

1 annum from the date the tax was first payable; or the officer,
2 ~~may~~ in his or her own name ~~—~~ or in the name of the city, vil-
3 lage, township, or county of which he or she is an officer, MAY
4 institute a civil action against the owner in the circuit court
5 ~~—of—~~ FOR the county in which the facility is located or in the
6 circuit court ~~—of—~~ FOR the county in which the owner resides or
7 has a principal place of business, and in that civil action
8 recover the amount of the tax and interest on the tax at the rate
9 of 9% per annum from the date the tax was first payable.

10 (2) The officer may proceed to make a jeopardy assessment,
11 in the manner and under the circumstances provided by Act No. 55
12 of the Public Acts of 1956, being sections 211.691 to 211.697 of
13 the Michigan Compiled Laws, as an additional means of collecting
14 the amount of the tax under those circumstances.

15 (3) The officer may pursue 1 or more of the remedies pro-
16 vided in this section until the officer receives the amount of
17 the tax, interest on the tax, and costs allowed by this act or by
18 law governing the proceedings of civil actions in the circuit
19 ~~—courts—~~ COURT. The amount of the tax and interest on the tax
20 shall be disbursed by the officer in the same manner as the tax
21 levied under section 21 OR 21A, AS APPLICABLE, is disbursed when
22 first payable.