

**CLEAN AND RENEWABLE ENERGY AND ENERGY WASTE REDUCTION ACT (EXCERPT)**  
**Act 295 of 2008**

\*\*\*\*\* 460.1227.added THIS ADDED SECTION IS EFFECTIVE NOVEMBER 29, 2024 \*\*\*\*\*

**460.1227.added Host community agreement; refusal to enter; community benefits agreement; enforcement.**

Sec. 227. (1) The applicant for a certificate shall enter into a host community agreement with each affected local unit. The host community agreement shall require that, upon commencement of any operation, the energy facility owner must pay the affected local unit \$2,000.00 per megawatt of nameplate capacity located within the affected local unit. The payment shall be used as determined by the affected local unit for police, fire, public safety, or other infrastructure, or for other projects as agreed to by the local unit and the applicant.

(2) If an affected local unit refuses to enter into a host community agreement after good-faith negotiations with the applicant, the applicant may enter into a community benefits agreement with 1 or more community-based organizations within, or that serve residents of, the affected local unit. The amount paid by the applicant under this subsection must be equal to, or greater than, what the applicant would pay to the affected local unit under subsection (1). Community benefits agreements shall prioritize benefits to the community in which the energy facility is to be located. The topics and specific terms of the agreements may vary and may include, but are not limited to, any of the following:

(a) Workforce development, job quality, and job access provisions that include, but are not limited to, any of the following:

(i) Terms of employment, such as wages and benefits, employment status, workplace health and safety, scheduling, and career advancement opportunities.

(ii) Worker recruitment, screening, and hiring strategies and practices, targeted hiring planning and execution, investment in workforce training and education, and worker input and representation in decision making affecting employment and training.

(b) Funding for or providing specific environmental benefits.

(c) Funding for or providing specific community improvements or amenities, such as park and playground equipment, urban greening, enhanced safety crossings, paving roads, and bike paths.

(d) Annual contributions to a nonprofit or community-based organization that awards grants.

(3) A host community agreement or community benefits agreement is legally binding and inures to the benefit of the parties and their successors and assigns. The commission shall enforce this requirement, but not the actual agreements, which are enforceable in a court of competent jurisdiction.

**History:** Add. 2023, Act 233, Eff. Nov. 29, 2024.