



## States' Biofuels Statutes

### STATE OF MICHIGAN

*This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#). These statutes are placed in reverse chronological order using the date of the most recent amendment to the statute. Many biofuels laws were enacted as amendments to previously passed laws.*

*Current through the 2013 Legislative Session of the Michigan General Assembly.*

#### **125.2688e. Designation of additional renaissance zones for renewable energy facilities; criteria; revocation; development agreements; designation as renewable energy facility of forest products processing facility or agricultural processing facility**

Sec. 8e. (1) The board, upon recommendation of the board of the Michigan strategic fund defined in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, and upon recommendation of the commission of agriculture if the renewable energy facility uses agricultural crops or residues, or processed products from agricultural crops as its primary raw material source, may designate not more than 15 additional renaissance zones for renewable energy facilities within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a renaissance zone for a renewable energy facility within their boundaries. Not fewer than 5 of the renaissance zones for renewable energy facilities shall be designated for renewable energy facilities that focus primarily on the production of cellulosic biofuels.

(2) Each renaissance zone designated for a renewable energy facility under this section shall be 1 continuous distinct geographic area.

(3) The board may revoke the designation of all or a portion of a renaissance zone for a renewable energy facility if the board determines that the renewable energy facility does 1 or more of the following in a renaissance zone designated under this section:

(a) Fails to commence operation.

(b) Ceases operation.

(c) Fails to commence construction or renovation within 1 year from the date the renaissance zone for the renewable energy facility is designated.

(4) When designating a renaissance zone for a renewable energy facility, the board shall consider all of

the following:

- (a) The economic impact on local suppliers who supply raw materials, goods, and services to the renewable energy facility.
  - (b) The creation of jobs relative to the employment base of the community rather than the static number of jobs created.
  - (c) The viability of the project.
  - (d) The economic impact on the community in which the renewable energy facility is located.
  - (e) All other things being equal, giving preference to a business entity already located in this state.
  - (f) Whether the renewable energy facility can be located in an existing renaissance zone designated under section 8 or 8a.<sup>1</sup>
- (5) Beginning on July 7, 2006, the board shall require a development agreement between the Michigan strategic fund and the renewable energy facility.
- (6) Until the maximum number of additional renaissance zones for renewable energy facilities described in subsection (1) is met, if the board designates a renaissance zone under this section, section 8c, or section 8f<sup>2</sup> for a facility that is a forest products processing facility or an agricultural processing facility and that also meets the definition of a renewable energy facility, then the board shall only designate that renaissance zone as a renaissance zone for a renewable energy facility under this section.
- (7) As used in this section, “development agreement” means a written agreement between the Michigan strategic fund and the renewable energy facility that includes, but is not limited to, all of the following:
- (a) A requirement that the renewable energy facility comply with all state and local laws.
  - (b) A requirement that the renewable energy facility report annually to the Michigan strategic fund on all of the following:
    - (i) The amount of capital investment made at the facility.
    - (ii) The number of individuals employed at the facility at the beginning and end of the reporting period as well as the number of individuals transferred to the facility from another facility owned by the renewable energy facility.
    - (iii) The percentage of raw materials purchased in this state.
  - (c) Any other conditions or requirements reasonably required by the Michigan strategic fund.

**Credits:** P.A.1996, No. 376, § 8e, added by P.A.2006, No. 270, Imd. Eff. July 7, 2006. Amended by P.A.2008, No. 117, Imd. Eff. April 29, 2008; P.A.2008, No. 329, Imd. Eff. Dec. 18, 2008.