

SENATE BILL NO. 651

October 30, 2025, Introduced by Senators VICTORY and ALBERT and referred to Committee on Government Operations.

A bill to amend 1995 PA 24, entitled
"Michigan economic growth authority act,"
by amending section 3 (MCL 207.803), as amended by 2022 PA 241, and
by adding section 3a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. As used in this act:
- 2 (a) "Affiliated business" means a business that is at least
- 3 50% owned and controlled, directly or indirectly, by an associated
- 4 business.
- 5 (b) "Associated business" means a business that owns at least

1 50% of and controls, directly or indirectly, an authorized
2 business.

3 (c) "Authorized business" means 1 of the following:

4 (i) A single eligible business with a unique federal employer
5 identification number that has met the requirements of section 8
6 and with which the authority has entered into a written agreement
7 for a tax credit under section 9.

8 (ii) A single eligible business with a unique federal employer
9 identification number that has met the requirements of section 8,
10 except as provided in this subparagraph, and with which the
11 authority has entered into a written agreement for a tax credit
12 under section 9. An eligible business is not required to create
13 qualified new jobs or maintain retained jobs if qualified new jobs
14 are created or retained jobs are maintained by an associated
15 business, subsidiary business, affiliated business, or an employee
16 leasing company or professional employer organization that has
17 entered into a contractual service agreement with the authorized
18 business in which the employee leasing company or professional
19 employer organization withholds income and Social Security taxes on
20 behalf of the authorized business.

21 (d) "Authority" means **either of the following, as applicable:**

22 (i) **Before August 26, 2012,** the Michigan economic growth
23 authority created under section 4.

24 (ii) **On or after August 26, 2012, the Michigan strategic fund**
25 **in accordance with Executive Reorganization Order No. 2012-4, MCL**
26 **125.1994.**

27 (e) "Business" means proprietorship, joint venture,
28 partnership, limited liability partnership, trust, business trust,
29 syndicate, association, joint stock company, corporation,

1 cooperative, limited liability company, or any other organization.

2 (f) "Distressed business" means a business that meets all of
3 the following as verified by the ~~Michigan economic growth~~
4 authority:

5 (i) Four years immediately preceding the application to the
6 authority under this act, the business had 150 or more full-time
7 jobs in this state.

8 (ii) Within the immediately preceding 4 years, there has been a
9 reduction of not less than 30% of the number of full-time jobs in
10 this state during any consecutive 3-year period. The highest number
11 of full-time jobs within the consecutive 3-year period must be used
12 to determine the percentage reduction of full-time jobs in this
13 subparagraph.

14 (iii) Is not a seasonal employer as defined in section 27 of the
15 Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.27.

16 (g) "Eligible business" means a distressed business or
17 business that proposes to maintain retained jobs after December 31,
18 1999 or to create qualified new jobs in this state after April 18,
19 1995 in manufacturing, mining, research and development, wholesale
20 and trade, film and digital media production, or office operations
21 or a business that is a qualified high-technology business or a
22 business that is a tourism attraction facility or a qualified
23 lodging facility. Except for a retail establishment that meets the
24 criteria in section 8(11), an eligible business does not include
25 retail establishments, professional sports stadiums, or that
26 portion of an eligible business used exclusively for retail sales.
27 Professional sports stadium does not include a sports stadium in
28 existence on June 6, 2000 that is not used by a professional sports
29 team on the date that an application related to that professional

1 sports stadium is filed under section 8.

2 (h) "Eligible next Michigan business" means ~~a~~**any of the**
3 **following**:

4 (i) **A** business engaged in the shipment of tangible personal
5 property via multimodal commerce. ~~+~~~~a~~

6 (ii) **A** supply chain business providing a majority of its
7 services to businesses engaged in the shipment of tangible personal
8 property, including inventory, via multimodal commerce. ~~+~~~~a~~

9 (iii) **A** manufacturing or assembly facility receiving a majority
10 of its production components via multimodal commerce. ~~+~~~~a~~

11 (iv) **A** manufacturing or assembly facility shipping a majority
12 of products via multimodal commerce. ~~+~~~~or~~~~a~~

13 (v) **A** light manufacturing or assembly facility that packages,
14 kits, labels, or customizes products and ships those products via
15 multimodal commerce.

16 (i) "Facility" means a site or sites within this state in
17 which an authorized business or subsidiary business maintains
18 retained jobs or creates qualified new jobs.

19 (j) "Film and digital media production" means the development,
20 preproduction, production, postproduction, and distribution of
21 single media or multimedia entertainment content for distribution
22 or exhibition to the general public in 2 or more states by any
23 means and media in any digital media format, film, or video tape,
24 including, but not limited to, a motion picture, a documentary, a
25 television series, a television miniseries, a television special,
26 interstitial television programming, long-form television,
27 interactive television, music videos, interactive games, video
28 games, internet programming, an internet video, a sound recording,
29 a video, digital animation, or an interactive website. Film and

digital media production also includes the development, preproduction, production, postproduction, and distribution of a trailer, pilot, video teaser, or demo created primarily to stimulate the sale, marketing, promotion, or exploitation of future investment in a film or digital media production. Film or digital media production does not include the production of any of the following:

(i) A production for which records are required to be maintained with respect to any performer in the production under 18 USC 2257.

(ii) A production that includes obscene matter or an obscene performance as described in 1984 PA 343, MCL 752.361 to 752.374.

(iii) A production that primarily consists of televised news or current events.

(iv) A production that primarily consists of a live sporting event.

(v) A production that primarily consists of political advertising.

(vi) A radio program.

(vii) A weather show.

(viii) A financial market report.

(ix) A talk show.

(x) A game show.

(xi) A production that primarily markets a product or service.

(xii) An awards show or other gala event production.

(xiii) A production with the primary purpose of fund-raising.

(xiv) A production that primarily is for employee training or in-house corporate advertising or other similar production.

(k) "Full-time job" means a job performed by an individual for 35 hours or more each week and whose income and Social Security taxes are withheld by 1 or more of the following:

(i) An authorized business.

(ii) An employee leasing company.

(iii) A professional employer organization on behalf of the authorized business.

(iv) Another person as provided in section 8(1)(c).

(v) A business that sells all or part of its assets to an eligible business that receives a credit under section 8(1) or (5).

(l) "Local governmental unit" means a county, city, village, or township in this state.

(m) "High-technology activity" means 1 or more of the following:

(i) Advanced computing, which is any technology used in the design and development of any of the following:

(A) Computer hardware and software.

(B) Data communications.

(C) Information technologies.

(D) Film and digital media production.

(ii) Advanced materials, which are materials with engineered properties created through the development of specialized process and synthesis technology.

(iii) Biotechnology, which is any technology that uses living organisms, cells, macromolecules, microorganisms, or substances from living organisms to make or modify a product, improve plants or animals, or develop microorganisms for useful purposes.

Biotechnology does not include human cloning as defined in section 16274 of the public health code, 1978 PA 368, MCL 333.16274, or

1 stem cell research with embryonic tissue.

2 (iv) Electronic device technology, which is any technology that
3 involves microelectronics, semiconductors, electronic equipment,
4 and instrumentation, radio frequency, microwave, and millimeter
5 electronics, and optical and optic-electrical devices, or data and
6 digital communications and imaging devices.

7 (v) Engineering or laboratory testing related to the
8 development of a product.

9 (vi) Technology that assists in the assessment or prevention of
10 threats or damage to human health or the environment, including,
11 but not limited to, environmental cleanup technology, pollution
12 prevention technology, or development of alternative energy
13 sources.

14 (vii) Medical device technology, which is any technology that
15 involves medical equipment or products other than a pharmaceutical
16 product that has therapeutic or diagnostic value and is regulated.

17 (viii) Product research and development.

18 (ix) Advanced vehicles technology, which is any technology that
19 involves electric vehicles, hybrid vehicles, or alternative fuel
20 vehicles, or components used in the construction of electric
21 vehicles, hybrid vehicles, or alternative fuel vehicles. For
22 purposes of this act:

23 (A) "Electric vehicle" means a road vehicle that draws
24 propulsion energy only from an on-board source of electrical
25 energy.

26 (B) "Hybrid vehicle" means a road vehicle that can draw
27 propulsion energy from both a consumable fuel and a rechargeable
28 energy storage system.

29 (x) Tool and die manufacturing.

(xi) Competitive edge technology as defined in section 88a of the Michigan strategic fund act, **former** 1984 PA 270. , ~~MCL 125.2088a.~~

(xii) Digital media, including internet publishing and broadcasting, video gaming, web development, and entertainment technology.

(xiii) Music production, including record production and development, sound recording studios, and integrated high-technology record production and distribution.

(xiv) Film and video, including motion picture and video production and distribution, postproduction services, and teleproduction and production services.

(n) "Multimodal commerce" means the movement of products or services via 2 of the following:

(i) Air.

(ii) Road.

(iii) Rail.

(iv) Water.

(o) "New capital investment" means 1 or more of the following:

(i) New construction. As used in this subparagraph:

(A) "New construction" means property not in existence on the date the authorized business enters into a written agreement with the authority and not replacement construction. New construction includes the physical addition of equipment or furnishings, subject to section 27(2)(a) to (q) of the general property tax act, 1893 PA 206, MCL 211.27.

(B) "Replacement construction" means that term as defined in section 34d(1)(b)(v) of the general property tax act, 1893 PA 206, MCL 211.34d.

1 (ii) The purchase of new personal property. As used in this
2 subparagraph, "new personal property" means personal property that
3 is not subject to or that is exempt from the collection of taxes
4 under the general property tax act, 1893 PA 206, MCL 211.1 to
5 211.155, on the date the authorized business enters into a written
6 agreement with the authority.

7 (p) "Qualified high-technology business" means a business or
8 facility whose primary business activity is high-technology
9 activity or a qualified high-wage activity.

10 (q) "Qualified high-wage activity" means a business that has
11 an average wage of 300% or more of the federal minimum wage.
12 Qualified high-wage activity may also include, but is not limited
13 to, 1 or more of the following as long as they have an average wage
14 of 300% or more of the federal minimum wage:

15 (i) Architecture and design, including architectural design,
16 graphic design, interior design, fashion design, and industrial
17 design.

18 (ii) Advertising and marketing, including advertising and
19 marketing firms and agencies, public relations agencies, and
20 display advertising.

21 (r) "Qualified lodging facility" means 1 or more of the
22 following:

23 (i) Lodging facilities that constitute a portion of a tourism
24 attraction facility and represent less than 50% of the total cost
25 of the tourism attraction facility, or the lodging facilities are
26 to be located on recreational property owned or leased by the
27 municipal, state, or federal government.

28 (ii) The lodging facilities involve the restoration or
29 rehabilitation of a structure that is listed individually in the

~~national register of historic places~~ **National Register of Historic places** or are located in a ~~national register historic district~~ **National Register Historic District** and certified by this state as contributing to the historic significance of the district, and the rehabilitation or restoration project has been approved in advance by this state.

(s) "Qualified new job" means 1 of the following:

(i) A full-time job created by an authorized business at a facility that is in excess of the number of full-time jobs the authorized business maintained in this state prior to the expansion or location, as determined by the authority.

(ii) For jobs created after July 1, 2000, a full-time job at a facility created by an eligible business that is in excess of the number of full-time jobs maintained by that eligible business in this state up to 90 days before the eligible business became an authorized business, as determined by the authority.

(iii) For a distressed business, a full-time job at a facility that is in excess of the number of full-time jobs maintained by that eligible business in this state on the date the eligible business became an authorized business.

(t) "Retained jobs" means the number of full-time jobs at a facility of an authorized business maintained in this state on a specific date as that date and number of jobs is determined by the authority.

(u) "Rural business" means an eligible business located in a county with a population of 90,000 or less.

(v) "Subsidiary business" means a business that is directly or indirectly controlled or at least 80% owned by an authorized business.

1 (w) "Tourism attraction facility" means a cultural or
2 historical site, a recreation or entertainment facility, an area of
3 natural phenomena or scenic beauty, or an entertainment destination
4 center as determined by the ~~Michigan economic growth~~ authority as
5 follows:

6 (i) In making a determination, the ~~Michigan economic growth~~
7 authority shall consider all of the following:

8 (A) Whether the facility will actually attract tourists.

9 (B) Whether 50% or more of the persons using the facility
10 reside outside a 100-mile radius.

11 (C) Whether 50% or more of the gross receipts are from
12 admissions, food, or nonalcoholic drinks.

13 (D) Whether the facility offers a unique experience.

14 (ii) The Michigan economic growth authority shall not determine
15 any of the following as a tourism attraction facility:

16 (A) Facilities, other than an entertainment destination
17 center, that are primarily devoted to the retail sale of goods, a
18 theme restaurant destination attraction, or a tourism attraction
19 where the attraction is a secondary and subordinate component to
20 the sale of goods.

21 (B) Recreational facilities that do not serve as a likely
22 destination where individuals who are not residents of the state
23 would remain overnight in commercial lodging at or near the
24 facility.

25 (x) "Written agreement" means a written agreement made
26 ~~pursuant to~~ **under** section 8. A written agreement may address new
27 jobs, qualified new jobs, full-time jobs, retained jobs, or any
28 combination of new jobs, qualified new jobs, full-time jobs, or
29 retained jobs.

1 Sec. 3a. As used in this act:

2 (a) "Bureau" means the bureau of fair competition and free
3 enterprise created in section 7 of the economic development fair
4 competition and free enterprise act.

5 (b) "Michigan strategic fund" means either of the following,
6 as applicable:

7 (i) Until the effective date of the economic development fair
8 competition and free enterprise act, the Michigan strategic fund
9 created under former 1984 PA 270.

10 (ii) Beginning on the effective date of the economic
11 development fair competition and free enterprise act, the bureau.

12 Enacting section 1. This amendatory act does not take effect
13 unless Senate Bill No. 631 of the 103rd Legislature is enacted into
14 law.