



**House  
Legislative  
Analysis  
Section**

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**ENV'L. PROTECTION BOND FUND**

**House Bill 4720**

**Sponsor: Rep. Michael J. Griffin**

**Committee: Conservation,**

**Environment and Great Lakes Affairs**

**Complete to 5-10-93**

**A SUMMARY OF HOUSE BILL 4720 INTRODUCED 5-6-93**

Under the Environmental Protection Bond Implementation Act, money in the Environmental Protection Bond fund is allocated to finance environmental protection programs, including components for toxic waste cleanup. The act provides for the disbursement of \$40 million for the clean-up of sites that have been identified under the Michigan Environmental Response Act as having toxic contamination, provided that the sites have economic development potential; and of \$5 million to a) investigate and verify that vacant manufacturing facilities and abandoned industrial sites, that have not been identified under the Michigan Environmental Response Act, are free of environmental contamination, and b) to make loans to local units of government to redevelop and reuse these locations. House Bill 4720 would amend the act to reduce the first amount to \$35 million, and would specify that the funds be used at locations having "measurable economic benefit," i.e., where permanent jobs were created or retained, private capital invested, or the tax base increased, as determined by the Commission of Natural Resources. The bill would also increase the latter amount to \$10 million, and would specify that this amount be used to provide grants to communities that had been identified as eligible under the Neighborhood Enterprise Zone Act, to determine whether property in a community was contaminated, and, if so, to characterize the nature and extent of the contamination. To qualify for a grant, the property would have to be located within an eligible community that had previously received less than \$1 million in total grants, not including a grant that had resulted in "measurable economic benefits." Further, the study of the property would have to include an estimate of the cost of cleaning up the contamination in relation to the value of the property if it were cleaned up, and any future potential limitations on the use of the property based on current environmental conditions. The property would have to have "demonstrable economic development potential," but a specific development proposal would not be required.

If, after 18 months, the commission determined that the \$10 million allocation was not likely to be expended according to the provisions of the bill, then \$5 million of the money would be reallocated for the clean-up of contaminated sites. In addition, a community could retain funds that were recovered from a person identified as being liable for the contamination of a site and used on projects that were eligible for clean-up funding. If recovered funds were not spent within two years they would be returned to the fund to be used for the investigation of vacant manufacturing facilities and abandoned industrial sites.

**MCL 299.678**