



HOUSE BILL No. 4720

May 6, 1993, Introduced by Reps. Griffin, Middaugh, Freeman, O'Neill, Brown, Shepich, Gnodtke, Dolan, Sikkema, Hood, Wallace, Stallworth, Gire, Varga, DeMars, Points, Pitoniak, Murphy, Saunders, Bennane, Bryant, Llewellyn, Bodem, Rhead, Hill, Goschka, Nye, Bobier, Wetters and Randall and referred to the Committee on Conservation, Environment and Great Lakes.

A bill to amend section 8 of Act No. 328 of the Public Acts of 1988, entitled

"Environmental protection bond implementation act,"

being section 299.678 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 8 of Act No. 328 of the Public Acts of
2 1988, being section 299.678 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 8. (1) Except as provided in subsection ~~-(2)-~~ (3),
5 money in the fund that is allocated under section 7 shall be used
6 for the following purposes:

7 (a) Money in the fund that is allocated under section
8 7(1)(a) shall be used for sites identified through the
9 environmental response act, Act No. 307 of the Public Acts of
10 1982, being sections 299.601 to ~~299.611~~ 299.618 of the Michigan

1 Compiled Laws, to be expended AND RECOVERED BY THE STATE in the
2 same manner as provided in that act. Of the funds allocated
3 under section 7(1)(a), the following ~~shall~~ apply:

4 (i) Not more than ~~\$40,000,000.00~~ \$35,000,000.00 shall be
5 used to clean up sites of environmental contamination that have
6 been identified under Act No. 307 of the Public Acts of 1982;
7 that will not be funded in the next fiscal year; and have been
8 approved by the commission as having MEASURABLE economic
9 ~~development potential~~ BENEFIT. The commission, after consulta-
10 tion with the department of commerce, shall promulgate rules that
11 establish the criteria and process by which sites will be
12 selected and determined to qualify as sites having MEASURABLE
13 economic ~~development potential~~ BENEFIT.

14 (ii) Not more than ~~\$5,000,000.00~~ \$10,000,000.00 may be
15 used ~~for investigation of vacant manufacturing facilities and~~
16 ~~abandoned industrial sites not identified under Act No. 307 of~~
17 ~~the Public Acts of 1982, and subsequent certification, where~~
18 ~~appropriate, that the site is free of environmental contamination~~
19 ~~and appropriate for redevelopment, and to make loans to local~~
20 ~~units of government to redevelop and reuse vacant manufacturing~~
21 ~~facilities or abandoned industrial sites for the purpose of dis-~~
22 ~~couraging development of open space and undeveloped lands that on~~
23 ~~the effective date of this act are not zoned for industrial use-~~
24 TO PROVIDE GRANTS TO ELIGIBLE COMMUNITIES TO INVESTIGATE AND
25 DETERMINE WHETHER PROPERTY WITHIN AN ELIGIBLE COMMUNITY IS A SITE
26 OF ENVIRONMENTAL CONTAMINATION AND, IF SO, TO CHARACTERIZE THE
27 NATURE AND EXTENT OF THE CONTAMINATION. A GRANT SHALL ONLY BE

1 ISSUED UNDER THIS SUBPARAGRAPH IF ALL OF THE FOLLOWING CONDITIONS
2 ARE MET:

3 (A) THE CHARACTERIZATION OF THE NATURE AND EXTENT OF CONTAM-
4 INATION INCLUDES AN ESTIMATE OF RESPONSE ACTIVITY COSTS IN RELA-
5 TION TO THE VALUE OF THE PROPERTY IN AN UNCONTAMINATED STATE AND
6 IDENTIFIES FUTURE POTENTIAL LIMITATIONS ON THE USE OF THE PROP-
7 ERTY BASED UPON CURRENT ENVIRONMENTAL CONDITIONS.

8 (B) THE PROPERTY HAS DEMONSTRABLE ECONOMIC DEVELOPMENT
9 POTENTIAL. THIS PROVISION DOES NOT REQUIRE A SPECIFIC DEVELOP-
10 MENT PROPOSAL TO BE IDENTIFIED.

11 (C) THE PROPERTY IS LOCATED WITHIN AN ELIGIBLE COMMUNITY
12 THAT HAS RECEIVED LESS THAN \$1,000,000.00 IN TOTAL GRANTS UNDER
13 THIS SUBPARAGRAPH. HOWEVER, A GRANT THAT HAS RESULTED IN MEASUR-
14 ABLE ECONOMIC BENEFITS SHALL NOT BE INCLUDED IN THE CALCULATION
15 OF THE \$1,000,000.00.

16 (b) Money in the fund that is allocated for solid waste
17 projects including, but not limited to, reducing, recycling, and
18 properly disposing of solid waste shall be used to fund state
19 projects, to provide grants and loans to local units of govern-
20 ment, and to provide grants and loans to private entities for any
21 of the programs identified in the clean Michigan fund act, Act
22 No. 249 of the Public Acts of 1986, being sections 299.371 to
23 299.393 of the Michigan Compiled Laws, in the amounts appropri-
24 ated pursuant to subsection ~~(4)~~ (5). However, the commission
25 shall not use any of the money in the fund for any of the costs
26 associated with the advisory panel described in section 20 of Act
27 No. 249 of the Public Acts of 1986, being section 299.390 of the

1 Michigan Compiled Laws. Not less than \$17,500,000.00 of the
2 money for solid waste projects shall be used to fund the
3 following: ~~purposes:~~

4 (i) To promote and expand markets for recycled materials.

5 (ii) To assist in the recycling of solid wastes, including,
6 but not limited to, plastics, metals, tires, wood, and paper.

7 (iii) To promote research on resource recovery.

8 (iv) To study marketing options for products that use recy-
9 cled materials.

10 (c) Money in the fund that is allocated to capitalize ~~a~~
11 THE state water pollution control revolving fund CREATED IN
12 SECTION 16A OF THE SHARED CREDIT RATING ACT, ACT NO. 227 OF THE
13 PUBLIC ACTS OF 1985, BEING SECTION 141.1066A OF THE MICHIGAN
14 COMPILED LAWS, shall be used as provided in the state ~~statute~~
15 ~~implementing that fund~~ CLEAN WATER ASSISTANCE ACT, ACT NO. 317
16 OF THE PUBLIC ACTS OF 1988, BEING SECTIONS 323.451 TO 323.470 OF
17 THE MICHIGAN COMPILED LAWS.

18 (d) Money in the fund that is allocated to fund this state's
19 participation in a regional Great Lakes protection fund ~~shall be~~
20 ~~used as provided in the state statute implementing that fund~~
21 PURSUANT TO THE GREAT LAKES PROTECTION FUND AUTHORIZATION ACT,
22 ACT NO. 155 OF THE PUBLIC ACTS OF 1989, BEING SECTIONS 3.671 TO
23 3.677 OF THE MICHIGAN COMPILED LAWS.

24 (2) IF, WITHIN 18 MONTHS AFTER THE EFFECTIVE DATE OF
25 SUBSECTION (8), THE COMMISSION DETERMINES THAT MONEY ALLOCATED
26 UNDER SUBSECTION (1)(A)(ii) IS UNLIKELY TO BE EXPENDED PURSUANT
27 TO THAT SUBPARAGRAPH, \$5,000,000.00 OF THE MONEY ALLOCATED

1 PURSUANT TO THAT SUBPARAGRAPH SHALL BE EXPENDED PURSUANT TO
2 SUBSECTION (1)(A)(i).

3 (3) IF MONEY THAT IS EXPENDED PURSUANT TO
4 SUBSECTION (1)(A)(ii) IS RECOVERED BY AN ELIGIBLE COMMUNITY FROM
5 A PERSON WHO MAY BE LIABLE UNDER THE ENVIRONMENTAL RESPONSE ACT,
6 ACT NO. 307 OF THE PUBLIC ACTS OF 1982, BEING SECTIONS 299.601 TO
7 299.618 OF THE MICHIGAN COMPILED LAWS, THROUGH PROCEEDS FROM THE
8 SALE OF THE PROPERTY, OR THROUGH ANY OTHER MECHANISM, AND ADDI-
9 TIONAL FUNDS FOR ENVIRONMENTAL RESPONSE ACTIVITIES ON THE PROP-
10 ERTY ARE NOT NECESSARY, THE ELIGIBLE COMMUNITY MAY RETAIN THOSE
11 FUNDS FOR EXPENDITURE ON PROJECTS ELIGIBLE TO RECEIVE FUNDING
12 UNDER SUBSECTION (1)(A)(ii). AN ACCOUNTING OF SUCH RECOVERED
13 FUNDS MUST BE PROVIDED TO THE DEPARTMENT WITHIN 30 DAYS OF
14 RECEIPT, AND APPROVAL AND EXPENDITURE OF SUCH RECOVERED FUNDS
15 SHALL BE IN THE SAME MANNER AS FUNDS AWARDED PURSUANT TO
16 SUBSECTION (1)(A)(ii). IF FUNDS ARE RECOVERED AND NOT SPENT ON
17 OTHER PROJECTS PURSUANT TO THIS SUBPARAGRAPH WITHIN 2 YEARS AFTER
18 THEY ARE RECOVERED BY THE ELIGIBLE COMMUNITY, THE ELIGIBLE COMMU-
19 NITY SHALL FORWARD THE MONEY COLLECTED TO THE STATE TREASURER FOR
20 DEPOSIT INTO THE FUND TO BE USED PURSUANT TO SUBSECTION
21 (1)(A)(ii).

22 (4) ~~-(2)-~~ Money provided in the fund may be used by the
23 department of treasury to pay for the cost of issuing bonds under
24 the environmental protection bond authorization act and by the
25 department to pay department costs as provided in this
26 subsection. Not more than 6% of the total amount specified in
27 section 7(1)(a), (b), and (d) shall be available for

1 appropriation to the department to pay department costs directly
2 associated with the completion of a project described in section
3 7(1)(a), (b), or (d), for which bonds are issued as provided
4 under this act. Any department costs associated with a project
5 described in section 7(1)(c) for which bonds are issued under
6 this act shall be paid as provided in the state statute imple-
7 menting the state water pollution control revolving fund. Bond
8 proceeds shall not be available to pay indirect, administrative
9 overhead costs incurred by any organizational unit of the depart-
10 ment not directly responsible for the completion of a project.
11 It is the intent of the legislature that general fund appropria-
12 tions to the department shall not be reduced as a result of
13 department costs funded pursuant to this subsection.

14 (5) ~~(3)~~ Except as provided in subsection ~~(2)~~ (3), the
15 commission shall annually submit to the governor, the committee
16 of the house of representatives on conservation and environment,
17 the committee of the senate on natural resources and environmen-
18 tal affairs, and the appropriations committees in the house of
19 representatives and the senate a list of all projects that are
20 recommended to be funded under this act. Beginning in fiscal
21 year 1990, this list shall be submitted to the legislature not
22 later than February 15 of each year. This list shall also be
23 submitted before any request for supplemental appropriation of
24 bond funds. The list shall include the name, address, and tele-
25 phone number of the eligible recipient or participant; the nature
26 of the eligible project; the county in which the eligible project
27 is located; an estimate of the total cost of the eligible

1 project; and other information considered pertinent by the
2 commission.

3 (6) ~~(4)~~ The legislature shall appropriate prospective or
4 actual bond proceeds for projects proposed to be funded.
5 Appropriations shall be carried over to succeeding fiscal years
6 until the project for which the funds are appropriated is
7 completed. Environmental cleanup projects that are eligible for
8 funding under ~~section 8(1)(a)~~ SUBSECTION (1)(A), but not
9 including ~~section 8(1)(a)(i)~~ SUBSECTION (1)(A)(i) and (ii),
10 shall be prioritized and approved pursuant to the procedures out-
11 lined in ~~the environmental response act,~~ Act No. 307 of the
12 Public Acts of 1982. ~~, being sections 299.601 to 299.611 of the~~
13 ~~Michigan Compiled Laws.~~ Projects to which loans are provided
14 from the state water pollution control revolving fund shall be
15 approved pursuant to state law implementing that fund. The capi-
16 talization of the regional Great Lakes protection fund shall be a
17 1-time appropriation.

18 (7) ~~(5)~~ Not later than December 31 of each year, the com-
19 mission shall report to the governor, the committee of the house
20 of representatives on conservation and environment, the committee
21 of the senate on natural resources and environmental affairs, and
22 the committees of the house of representatives and the senate on
23 appropriations for the department a list of the projects financed
24 under this act. The list shall include the name, address, and
25 telephone number of the recipient or participant; the nature of
26 the project; the amount of money received; the county in which

1 the project is located; and other information considered
2 pertinent by the commission.

3 (8) AS USED IN THIS SECTION:

4 (A) "ELIGIBLE COMMUNITY" MEANS A CITY, VILLAGE, OR TOWNSHIP
5 THAT MEETS THE APPLICABLE CRITERIA OF SECTION 2(D)(i) OR (ii) OF
6 THE NEIGHBORHOOD ENTERPRISE ZONE ACT, ACT NO. 147 OF THE PUBLIC
7 ACTS OF 1992, BEING SECTION 207.772 OF THE MICHIGAN COMPILED
8 LAWS.

9 (B) "MEASURABLE ECONOMIC BENEFIT" MEANS THE PERMANENT JOBS
10 THAT ARE CREATED OR RETAINED, THE PRIVATE CAPITAL INVESTED, OR
11 THE INCREASED TAX BASE, OR ANY COMBINATION THEREOF, WITHIN THE
12 LOCAL UNIT OF GOVERNMENT WHERE THE PROJECT IS LOCATED.