



SENATE BILL No. 521

March 24, 1993, Introduced by Senators EHLERS, GAST, EMMONS, CISKY, MC MANUS and KOIVISTO and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend sections 6 and 25 of Act No. 518 of the Public Acts of 1988, entitled as amended "Michigan underground storage tank financial assurance act," section 6 as amended by Act No. 161 of the Public Acts of 1989 and section 25 as amended by Act No. 1 of the Public Acts of 1993, being sections 299.806 and 299.825 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 6 and 25 of Act No. 518 of the Public
2 Acts of 1988, section 6 as amended by Act No. 161 of the Public
3 Acts of 1989 and section 25 as amended by Act No. 1 of the Public
4 Acts of 1993, being sections 299.806 and 299.825 of the Michigan
5 Compiled Laws, are amended to read as follows:

6 Sec. 6. (1) The Michigan underground storage tank financial
7 assurance fund is created.

1 (2) The state treasurer shall direct the investment of the
2 fund. Interest and earnings from fund investments shall be cred-
3 ited to the fund.

4 (3) THE STATE TREASURER MAY BORROW AGAINST THE ANTICIPATED
5 REVENUES OF THE FUND IN ORDER TO MAKE PAYMENTS PURSUANT TO THIS
6 ACT IN A TIMELY MANNER.

7 (4) ~~(3)~~ Money in the fund at the close of the fiscal year
8 shall remain in the fund and shall not revert to the general
9 fund.

10 (5) ~~(4)~~ Money in the fund shall be expended only as fol-
11 lows and in the following order of priority:

12 (a) For the reasonable administrative cost of implementing
13 this act by the department, the department of natural resources,
14 the department of state police, the department of treasury, and
15 the department of attorney general as annually appropriated by
16 the legislature. Administrative costs shall include the actual
17 and necessary expenses incurred by the board and its members in
18 carrying out the duties imposed by this act. Total administra-
19 tive costs expended under this subdivision shall not exceed 7% of
20 the fund's projected revenues in any year. ~~Within 2 years of~~
21 ~~the effective date of this 1989 amendatory act~~ NOT LATER THAN
22 AUGUST 15, 1991, the department shall conduct an audit of the
23 actual administrative costs of implementing this act and shall
24 report the results of this audit to the legislature.

25 (b) For the interest subsidy program established in
26 section 19. The money expended under this subdivision shall not
27 exceed 10% of the fund's projected revenues in any year.

1 However, 10% of the revenue of the fund during the first year of
2 the fund's operation shall be expended on the interest subsidy
3 program. If this money is not expended during the first year,
4 this money shall be carried over for expenditure in the succeed-
5 ing years of the fund's operation. No additional fund revenue
6 shall be set aside for the interest subsidy program until all of
7 the first year revenue is expended.

8 (c) For corrective action and indemnification including both
9 of the following:

10 (i) Payments for approved work invoices pursuant to this
11 act.

12 (ii) Payments for approved requests for indemnification pur-
13 suant to this act.

14 (D) FOR INTEREST PAYMENTS ON MONEY THE STATE TREASURER BOR-
15 ROWS AGAINST ANTICIPATED REVENUES PURSUANT TO SUBSECTION (3).

16 (6) ~~(5)~~ The board shall make recommendations to the appro-
17 priations committees in the senate and house of representatives
18 on the distribution and amount of administrative costs under sub-
19 section (4). The board shall provide a copy of these recommenda-
20 tions to each affected department.

21 Sec. 25. (1) Section 7 is repealed effective December 22,
22 1998.

23 (2) Upon the repeal of section 7, any unexpended money in
24 the emergency response fund reverts to the fund.

25 (3) This act is repealed effective January 1, ~~2000~~ 2020.