



**House
Legislative
Analysis
Section**

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OIL AND GAS STORAGE

House Bill 5744

**Sponsor: Rep. James M. Middaugh
Committee: Conservation, Environment
and Great Lakes**

Complete to 5-26-96

A SUMMARY OF HOUSE BILL 5744 AS INTRODUCED 4-16-96

The Natural Resources and Environmental Protection Act (NREPA) permits the Department of Natural Resources to enter into contracts to allow drilling operations on state-owned land for oil, gas, coal, and other mineral products. This contract power includes the authorization to enter into contracts for the storage of gas or other mineral products on state-owned land, provided that the consent of the state agency with jurisdiction and control of the land is obtained, and the state administrative board approves the contract. Money received from a contract for storage must be deposited into the Michigan Natural Resources Trust Fund. House Bill 5744 would amend the act to specify, instead, that the money be deposited into the general fund to defray the cost involved in administering the provisions of the act.

MCL 324.502

House Bill 5744 (4-26-96)

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.