

Act No. 30
Public Acts of 1996
Approved by the Governor
February 25, 1996
Filed with the Secretary of State
February 26, 1996

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Rep. Middaugh

ENROLLED HOUSE BILL No. 5279

AN ACT to amend section 8 of Act No. 359 of the Public Acts of 1974, entitled "An act to authorize the department of natural resources to convey certain lands lying within the boundaries of the lakeshore zone and parkway location of the Sleeping Bear dunes national lakeshore park to the United States; to provide for cession of certain jurisdiction of this state and to determine the measure thereof over such lands; to authorize acceptance of relinquished jurisdiction over such lands or portions thereof; and to repeal certain acts and parts of acts," being section 3.908 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 8 of Act No. 359 of the Public Acts of 1974, being section 3.908 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 8. (1) In order to provide for reimbursement to local units of government for taxes lost due to establishment of Sleeping Bear dunes national lakeshore the department of treasury, shall make payments in lieu of taxes for a period not to exceed 10 years from the date of purchase by the federal government, in accordance with the following formula: On the tax day first following transfer, the state treasurer shall determine the equalized valuation that existed prior to January 1, 1974 for each taxing jurisdiction from which the property was transferred and the rate of ad valorem taxation existing at the time of transfer. The state treasurer shall thereupon make payments to each taxing unit in an amount that revenues received by the taxing unit from local taxes shall be equal to the amounts that would have been received had the existing tax rate been still in effect and had the equalized valuation been the same prior to transfer. On each succeeding tax day for 10 years thereafter the treasurer shall make further payments to each taxing unit but reduced by 1/10 per year from the amount originally paid.

(2) This same formula shall apply to state-owned lands transferred under this act for which payments in lieu of taxes were previously made under the provisions of former Act No. 91 of the Public Acts of 1925, or subpart 14 of part 21 (general real estate powers) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being sections 324.2152 to 324.2154 of the Michigan Compiled Laws.

(3) On state-owned lands transferred under this act for which payments were previously made pursuant to former Act No. 116 of the Public Acts of 1917, or subpart 13 of part 21 (general real estate powers) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being sections 324.2150 to 324.2151 of the Michigan Compiled Laws, the annual payment shall continue for a period of 10 years at the rate existing at the time of transfer.

(4) The treasurer or other officer charged with the collection of taxes for the assessing district shall forward a statement of payments due to the Lansing office of the state treasurer, which shall review the statement, and if the amount is determined pursuant to this act, pay the same from the state general fund.

(5) Earnings from an investment made pursuant to this section in excess of the average rate of interest earned during the same period on other surplus funds, other than surplus funds invested pursuant to section 1, 2, or 2a, shall be credited to the general fund of the state. If interest from an investment made pursuant to this section is below the average rate of interest earned during the same period on other surplus funds, other than surplus funds invested pursuant to section 1, 2, or 2a, the general fund shall be reduced by the amount of the deficiency on an amortized basis over the remaining term of the investment. A loss of principal from an investment made pursuant to this section shall reduce the earnings on the general fund by the amount of that loss on an amortized basis over the remaining term of the investment.

(6) Not less than 30 days before an investment is made pursuant to this section the director and the state treasurer shall prepare and submit to the members of the joint capital outlay subcommittee of the appropriations subcommittees of the legislature a list of projects that the director and the state treasurer determine are eligible projects and the local units in which the eligible projects are located. Upon the approval of the joint capital outlay subcommittee, the state treasurer may execute the investment authorized by this section.

(7) A project shall not be approved by the director and the state treasurer as an eligible project unless all of the following conditions are met:

(a) The director determines that the project is located in a county that has an approved solid waste management plan.

(b) The director determines that the project is consistent with the approved solid waste management plan.

(c) The director determines that the project has all the permits that are required by state law that are specifically applicable to the nature of the proposed project.

(d) If the project is a waste to energy facility, the director determines that the facility utilizes the best available control technology and that the resultant ash is tested for toxicity and appropriate disposal is assured.

(e) If the project is a waste to energy facility, the project either includes the recycling of the recyclable portion of the project's projected waste stream, or the project application includes a recycling feasibility analysis or other available information that indicates that recycling is not necessary or feasible, or is only necessary or feasible to a limited extent and that adding such a component to the project would not be economically feasible. If any local unit within a county which has an approved solid waste management plan operates a recycling project or receives funding pursuant to part 191 (clean Michigan fund) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being sections 324.19101 to 324.19121 of the Michigan Compiled Laws, for a recycling project that included an analysis of the feasibility of recycling in the county in which the project is located, the requirements of this subdivision shall be met for all local units within the planning area.

(f) The state treasurer determines that the project meets the requirements of this section, that the project is economically feasible, and that no similar project that is economically feasible without the expenditure of state funds is proceeding in a timely manner and has made application with the director for any permit or license necessary for construction or operation in the county in which the project is located.

(8) The director and the state treasurer shall work together to assure that eligible projects are economically viable and will assist in developing and encouraging methods for the disposal of solid waste that are environmentally sound and maximize the use and reuse of valuable resources.

(9) As used in this section:

(a) "Authority" means the Michigan municipal bond authority created in Act No. 227 of the Public Acts of 1985.

(b) "Best available control technology" means best available control technology as defined in section 169 of subpart I of part C of title I of the clean air act, chapter 360, 91 stat. 740, 42 U.S.C. 7479.

(c) "Director" means the director of the department of environmental quality or his or her authorized representative.

(d) "Eligible project" means 1 or more of the following projects of a local unit that have been approved by the director and the state treasurer, including costs associated with a project necessary for issuance of evidences of indebtedness to finance the project:

(i) The construction, improvement, acquisition, or enlargement of a waste to energy facility.

(ii) The construction, improvement, acquisition, or enlargement of a solid waste transfer facility.

(iii) The construction, improvement, or enlargement of a recycling project or the acquisition of recycling equipment.

(iv) The construction, improvement, or enlargement of a composting project or the acquisition of composting equipment.

(e) "Local units" means a city, village, township, county, or an authority created by or pursuant to state law, or any combination thereof if authorized by state law to act jointly.

(f) "Composting project", "recycling project", "solid waste", "solid waste transfer facility", and "waste to energy" have the meaning ascribed to them in part 191 of Act No. 451 of the Public Acts of 1994.

(10) Notwithstanding any other provision of this act, the state treasurer shall not invest additional surplus funds in the manner and for the purposes provided in this section after the electors approve the issuance of general obligation bonds in accordance with section 15 of article IX of the state constitution of 1963 and not less than \$250,000,000.00 of the proceeds of those bonds is to be used to promote solid waste management in the state by funding eligible projects or similar solid waste management projects, promoting solid waste reduction, upgrading or closing existing landfills, or providing educational and technical assistance regarding solid waste management.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.