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GREAT LAKES FUND CHECKOFF

House Bills 6195 and 6196
Sponsor: Rep. Raymond Basham
Committee: Tax Policy

Complete to 11-3-98

A SUMMARY OF HOUSE BILLS 6195 AND 6196 AS INTRODUCED 9-24-98

House Bill 6195 would amend the Income Tax Act (MCL 206.438) to create a checkoff on the tax form for the Great Lakes Endowment Fund. Taxpayers could direct \$2 to the fund (which could come from a refund or could be added to tax liability), which would be created by House Bill 6196 to provide funds for water quality monitoring and water pollution prevention programs. The checkoff would be for the 1999 tax year and each year thereafter. The two bills are tie-barred.

Money in the newly created fund could be used for grants for the following purposes:

-- projects approved by the Department of Environmental Quality (DEQ) that monitor surface water and groundwater quality to determine sources and levels of water quality impairment, including testing public bathing beaches, investigating spills, and monitoring fish contamination.

-- to develop and maintain a statewide database of information on water quality coordinated by the DEQ and available electronically and otherwise to the public, with the information to include the safety of public bathing beaches and levels of sport fish contamination. Up to 25 percent of available money in fiscal years 1998-99, 1999-2000, and 2000-2001 could be used to establish the database.

-- to monitor and report the levels of residential, commercial, agricultural, and other water consumption to assure compliance with the Great Lakes Charter of 1985 and to support the state's participation in the interstate notification and consultation process provided by that charter.

-- projects approved by the DEQ to prevent pollution of surface water and groundwater, including providing public education, technical assistance to businesses, and assistance in the development of partnerships between businesses and communities to identify and reduce sources of pollution that could affect water quality.

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The DEQ would have to solicit and approve grant proposals. Each state fiscal year, at least 90 percent of available money would be distributed as grants to local governmental units and nonprofit organizations (except for the funds set aside for the water quality database referred to earlier). No more than 10 percent of the available money could be retained each year for fund-related departmental costs.

Analyst: C. Couch

■ 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.