## SENATE BILL No. 591

July 10, 2001, Introduced by Senators MC MANUS, GAST and KOIVISTO and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 78101, 78102, 78105, 78110, 78111, 78115,
78307, 78503, and 80115 (MCL 324.78101, 324.78102, 324.78105,
324.78110, 324.78111, 324.78115, 324.78307, 324.78503, and
324.80115), sections 78101 and 78110 as amended and section 78115
as added by 1998 PA 210 and sections 78102, 78105, 78111, 78307,
78503, and 80115 as added by 1995 PA 58, and by adding sections
78121, 78122, 78123, 78124, 78125, 78126, 78127, 78128, 78129,
78130, 78131, 78132, 78133, 78134, and 78135; and to repeal acts
and parts of acts.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- **1** Sec. 78101. As used in this part:
- (a) "Advisory committee" means the public boating access
- 3 site advisory committee established pursuant to section 78113.

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- 1 (b) "Commission" means the Michigan state waterways
- 2 commission.
- 3 (c) "Department" means the department of natural resources.
- 4 (d) "Director" means the administrative director of the
- 5 commission.
- 6 (e) "Diesel motor fuel" means any liquid fuel used in the
- 7 operation of engines of the diesel type in motor vehicles or
- 8 watercraft.
- 9 (F) "FUND" MEANS THE MICHIGAN STATE WATERWAYS FUND CREATED
- **10** IN SECTION 78110.
- 11 (G) (F) "Gasoline" means gasoline, casing head or natural
- 12 gasoline, benzole, benzine, and naphtha; also, any liquid pre-
- 13 pared, advertised, offered for sale, sold for use as, or used
- 14 for, the generation of power for the propulsion of motor vehicles
- 15 or watercraft, including any product obtained by blending
- 16 together any 1 or more products of petroleum, with or without
- 17 other products, and regardless of the original character of the
- 18 petroleum products blended, if the resultant product obtained is
- 19 capable of use for the generation of power for the propulsion of
- 20 motor vehicles or watercraft, it being the intention that the
- 21 blending of the products, regardless of name or characteristics,
- 22 shall conclusively be presumed to produce motor fuel, unless the
- 23 resultant product is entirely incapable for use as motor fuel.
- 24 Gasoline does not include diesel fuel, liquefied petroleum gas,
- 25 or commercial or industrial naphthas or solvents manufactured,
- 26 imported, received, stored, distributed, sold, or used

- 1 exclusively for purposes other than as a fuel for motor vehicles
- 2 or watercraft.
- $(H) = \frac{(g)}{(g)}$  "Harbor" means a portion of a lake or other body
- 4 of water either naturally or artificially protected so as to be a
- 5 place of safety for watercraft -, including OR contrivances used
- 6 or designed for navigation on water and used or owned by the
- 7 United States.
- 8 (I)  $\frac{\text{(h)}}{\text{(m)}}$  "Harbor facilities" means the structures at a
- 9 harbor constructed to protect the lake or body of water and the
- 10 facilities provided within the harbor and ashore for the mooring
- 11 and servicing of watercraft and the servicing of crews and
- 12 passengers.
- (J) (i) "Liquefied petroleum gas" means gases derived from
- 14 petroleum or natural gases which are in the gaseous state at
- 15 normal atmospheric temperature and pressure, but which may be
- 16 maintained in the liquid state at normal atmospheric temperature
- 17 by suitable pressure. Liquefied petroleum gas includes those
- 18 products predominately composed of propane, propylene, butylene,
- 19 butane, and similar products. which are not covered in chapters
- 20 1 and 2 of 1927 PA 150, MCL 207.101 to 207.134.
- 21 (K)  $\frac{(j)}{(j)}$  "Marina" means a site  $\frac{1}{(j)}$  THAT contains harbor
- 22 facilities.
- 23 (l)  $\overline{\text{(k)}}$  "Navigable water" means any waterway navigable by
- 24 vessels, or capable of being made navigable by vessels through
- 25 artificial improvements, and includes the structures and facili-
- 26 ties created to facilitate navigation.

- 1 (M) "NONREVENUE-PRODUCING HARBOR FACILITIES" MEANS ANY
- 2 PORTION OF HARBOR FACILITIES THAT WOULD NOT NORMALLY PRODUCE
- 3 REVENUE AND INCLUDES, BUT IS NOT LIMITED TO, JETTIES, BREAKWAT-
- 4 ERS, DREDGING, AND SHORE PROTECTION.
- 5 (N)  $\frac{-(l)}{-(l)}$  "Person" includes any individual, partnership,
- 6 corporation, association, or body politic, except the United
- 7 States and this state, and includes any trustee, receiver,
- 8 assignee, or other similar representative of those entities.
- 9 (0) (m) "Public boating access site" means a publicly
- 10 owned site for the launching of recreational watercraft.
- 11 (P) (P) "Retail fuel dealer" includes any person or per-
- 12 sons, both private and municipal, who engage in the business of
- 13 selling or distributing fuel within the state.
- 14 (O) "REVENUE-PRODUCING HARBOR FACILITIES" MEANS ANY PORTION
- 15 OF HARBOR FACILITIES THAT NORMALLY PRODUCE REVENUE AND INCLUDES,
- 16 BUT IS NOT LIMITED TO, WATERCRAFT SLIPS, WATERCRAFT LAUNCHING
- 17 FACILITIES, WATERCRAFT STORAGE, LODGING, ACCESS ROADS, WATERCRAFT
- 18 REPAIR FACILITIES, PARKING LOTS, MECHANICAL HAUL-OUT DEVICES, AND
- 19 FACILITIES FOR FUEL, FOOD, AND OTHER SERVICES.
- 20 (R)  $\overline{\text{(o)}}$  "Secretary of state" means the secretary of state
- 21 of this state, acting directly or through a duly authorized
- 22 deputy, investigators, agents, and employees.
- 23 (S)  $\frac{(p)}{(p)}$  "Vessel" means all watercraft except the
- 24 following:
- (i) Watercraft used for commercial fishing.
- (ii) Watercraft used by the sea scout department of the boy
- 27 scouts of America chiefly for training scouts in seamanship.

- 1 (iii) Watercraft owned by this state, any political
- 2 subdivision of this state, or the federal government.
- 3 (iv) Watercraft when used in interstate or foreign commerce
- 4 and watercraft used or owned by any railroad company or railroad
- 5 car ferry company.
- 6 (v) Watercraft when used in trade, including watercraft when
- 7 used in connection with an activity that constitutes a person's
- 8 chief business or means of livelihood.
- 9 (T) (q) "Watercraft" means any contrivance used or
- 10 designed for navigation on water, including, but not limited to,
- 11 any vessel, ship, boat, motor vessel, steam vessel, vessel oper-
- 12 ated by machinery, motorboat, sailboat, barge, scow, tugboat, and
- 13 rowboat, but does not include contrivances used or owned by the
- 14 United States.
- 15 (U)  $\overline{\text{(r)}}$  "Waterway" means any body of water.
- 16 Sec. 78102. (1) There is created a state commission to be
- 17 known and designated as the Michigan state waterways
- 18 commission. The commission shall consist of 7 members, who
- 19 shall be appointed by the governor, with the advice and consent
- 20 of the senate. The term of office of each member shall be 3
- 21 years, except that of members first appointed, 2 shall be
- 22 appointed for 1 year, 2 shall be appointed for 2 years, and 1
- 23 shall be appointed for 3 years. Not less than 2 members shall
- 24 reside north of townline 16, 1 of whom shall reside in the upper
- 25 peninsula and 1 of whom shall reside in the lower peninsula. One
- 26 of the members shall be an individual who owns or operates a
- 27 harbor or marina in this state at the time of his or her

- 1 appointment and during his or her membership on the commission.
- 2 One member shall be a representative of the marine-trades indus-
- 3 try who does not own or operate a harbor or marina. The first
- 4 term of the individual who owns or operates a harbor or marina
- 5 shall expire on September 18, 1989. The first term of the
- 6 marine-trade representative who does not own or operate a harbor
- 7 or marina shall expire on September 18, 1988. THE COMMISSION
- 8 SHALL CONSIST OF 7 MEMBERS, APPOINTED BY THE GOVERNOR, AS
- 9 FOLLOWS:
- 10 (A) THE DIRECTOR OR A MEMBER OF THE COMMISSION OF NATURAL
- 11 RESOURCES.
- 12 (B) ONE INDIVIDUAL WHO IS AN OWNER OR OPERATOR OF A MARINA
- 13 OR HARBOR FACILITY, OR A BOAT DEALERSHIP, THAT IS LOCATED ON THE
- 14 GREAT LAKES OR THEIR CONNECTING WATERS.
- 15 (C) ONE INDIVIDUAL WHO IS AN OWNER OR OPERATOR OF A MARINA
- 16 OR HARBOR FACILITY, OR A BOAT DEALERSHIP, THAT IS LOCATED ON AN
- 17 INLAND LAKE.
- 18 (D) ONE INDIVIDUAL FROM THE MARINE TRADE INDUSTRY.
- 19 (E) ONE INDIVIDUAL FROM THE UPPER PENINSULA WHO IS A REGIS-
- 20 TERED RECREATIONAL WATERCRAFT USER.
- 21 (F) ONE INDIVIDUAL FROM THE NORTHERN PORTION OF THE LOWER
- 22 PENINSULA WHO IS A REGISTERED RECREATIONAL WATERCRAFT USER.
- 23 (G) ONE INDIVIDUAL FROM THE SOUTHERN PORTION OF THE LOWER
- 24 PENINSULA WHO IS A REGISTERED RECREATIONAL WATERCRAFT USER.
- 25 (2) INDIVIDUALS ELIGIBLE FOR APPOINTMENTS UNDER SUBSECTION
- 26 (1)(B), (C), OR (D), OR ASSOCIATIONS REPRESENTING SUCH

- 1 INDIVIDUALS, MAY SUBMIT TO THE GOVERNOR RECOMMENDATIONS FOR
- 2 APPOINTMENTS UNDER SUBSECTION (1).
- 3 (3) A member OF THE COMMISSION appointed to fill a vacancy
- 4 occurring other than by expiration of a term shall be appointed
- 5 for the unexpired term. Members shall qualify by taking and
- 6 filing the constitutional oath of office. A member of the com-
- 7 mission shall not receive a salary for his or her services as a
- 8 commissioner, but may be reimbursed for actual and necessary
- 9 expenses incurred in performance of official duties. The members
- 10 of the commission may be removed by the governor for inefficien-
- 11 cy, neglect of duty, misuse of office, or malfeasance in office,
- 12 in the manner provided by law for the removal of other public
- 13 officers for similar causes. Vacancies shall be filled for the
- 14 unexpired term in the same manner as original appointments. The
- 15 commission shall, immediately upon its appointment, organize,
- 16 adopt a seal, and make, amend, and revise the rules necessary for
- 17 the administration of the commission's duties under this part.
- 18 The commission at the organization meeting shall elect from its
- 19 members a chairperson and vice-chairperson to serve for 1 year
- 20 and annually thereafter shall elect such officers, each to serve
- 21 until his or her successor is appointed and qualified. Action
- 22 shall not be taken by the commission with less than a majority
- 23 assent of its members. The department of management and budget
- 24 shall provide suitable offices and equipment for the use of the
- 25 commission.
- 26 Sec. 78105. The department shall have the following powers
- 27 and duties:

- 1 (a) To acquire, construct, and maintain harbors, channels,
- 2 and facilities for vessels in the navigable waters lying within
- 3 the boundaries of the state of Michigan.
- 4 (b) To acquire, by purchase, lease, gift, or condemnation
- 5 the lands, rights of way, and easements necessary for harbors and
- 6 channels. The department shall be considered a state agency
- 7 under the provisions of Act No. 149 of the Public Acts of 1911,
- 8 being sections 213.21 to 213.25 of the Michigan Compiled Laws
- 9 1911 PA 149, MCL 213.21 TO 213.25, relative to condemnation by
- 10 state agencies.
- 11 (c) To acquire, by purchase, lease, gift, or condemnation
- 12 suitable areas on shore for disposal of the material from
- 13 dredging.
- 14 (d) To enter into any contracts or agreements that may be
- 15 necessary in carrying out this part, including agreements to hold
- 16 and save the United States free from damages due to the construc-
- 17 tion and maintenance by the United States of those works that the
- 18 United States undertakes.
- 19 (e) To provide for the granting of concessions within the
- 20 boundaries of harbors, so as to furnish the public gas, oil,
- 21 food, and other facilities.
- (f) To represent the state of Michigan and the governor of
- 23 Michigan in dealings with the chief of engineers of the United
- 24 States army and his or her authorized agents for the purposes set
- 25 forth in this part.
- 26 (g) To charge fees for both seasonal and daily moorage at
- 27 state-operated small craft mooring facilities. All revenues

- 1 derived from this source shall be deposited in the Michigan
- 2 state waterways fund.
- 3 (h) To charge fees for both daily and seasonal use of
- 4 state-operated public access sites, if the cost of collecting the
- 5 fees will not exceed the revenue derived from the fees for daily
- 6 and seasonal passes. All revenues derived from this source shall
- 7 be deposited in the Michigan state waterways fund. A seasonal
- 8 pass shall grant the permittee the right to enter any
- 9 state-operated public access site without payment of an addi-
- 10 tional fee.
- 11 (i) To collect the proceeds from the sale of marine fuel at
- 12 harbors operated by the department. The proceeds from the sales
- 13 shall be credited to the Michigan state waterways fund and used
- 14 for the purchase of marine fuel supplies as may be needed. Any
- 15 remaining revenue from this source not needed for the purchase of
- 16 marine fuel supplies may be expended in the same manner as other
- 17 funds MONEY within the Michigan state waterways fund.
- 18 Sec. 78110. (1) The Michigan state waterways fund is cre-
- 19 ated in the state treasury. The fund shall be administered by
- 20 the state treasurer and shall be used by the department solely
- 21 for the construction,
- 22 (2) THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS
- 23 FROM ANY SOURCE FOR DEPOSIT INTO THE FUND. THE STATE TREASURER
- 24 SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE TREASURER
- 25 SHALL CREDIT TO THE FUND INTEREST AND EARNINGS FROM FUND
- 26 INVESTMENTS.

- 1 (3) MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR SHALL
- 2 REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.
- 3 (4) THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, UPON
- 4 APPROPRIATION, ONLY FOR 1 OR MORE OF THE FOLLOWING PURPOSES:
- 5 (A) CONSTRUCTION, operation, and maintenance of HARBOR
- 6 FACILITIES AND recreational boating facilities. -, the
- 7 acquisition
- 8 (B) ACQUISITION of property for the purposes of this part.
- 9 , for grants
- 10 (C) GRANTS to local units of government to acquire and
- 11 develop harbors of refuge and public boating access sites under
- 12 section 78115. , and for the
- 13 (D) THE IMPLEMENTATION AND administration of this part.
- 14 The fund shall receive such revenues as the legislature may
- 15 provide.
- (2) The Michigan harbor development fund is created in the
- 17 state treasury. The fund shall be administered by the state
- 18 treasurer and shall be used by the department solely for the pur-
- 19 poses provided in part 791 and for the administration of that
- 20 part. The fund shall receive revenues as provided in part 791
- 21 and such other revenues as the legislature may provide.
- 22 (5) ALL MONEY IN THE HARBOR DEVELOPMENT FUND ON THE EFFEC-
- 23 TIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION SHALL
- 24 BE TRANSFERRED TO THE FUND.
- 25 Sec. 78111. It is the purpose of this part, in providing
- 26 for harbors and channels, that the appropriation made by the
- 27 state be considered an advancement, and that the fees, taxes, and

- 1 other revenues received under this part, to be credited to the
- 2 Michigan state waterways fund, shall be applied against the
- 3 advancement, until all advancements have been fully paid.
- 4 Thereafter all such fees, taxes, and revenues shall be available
- 5 for continued expansion and development of harbors and connecting
- 6 waterways. However, subject to the approval of the state admin-
- 7 istrative board, the necessary expense of administration of this
- 8 part, and any expense necessary to the protection of the harbors
- 9 —, and connecting waterways, constructed or established under
- 10 the provisions of this part, or any improvement to the harbors
- 11 and connecting waterways necessary for the proper and adequate
- 12 protecting of vessels, shall be paid from the fees, taxes, and
- 13 revenues before being credited to the advancements. The state
- 14 administrative board shall from time to time provide for the
- 15 transfer of credits to advancements from the Michigan state
- 16 waterways fund to the general fund, until the advancements have
- 17 been fully paid.
- 18 Sec. 78115. (1) The department shall establish a public
- 19 boating access sites grant program. The THIS grant program
- 20 shall provide funding with money in the Michigan state
- 21 waterways fund to local units of government for all or a portion
- 22 of the cost of either or both of the following:
- 23 (a) The acquisition of land for the establishment of a
- 24 public boating access site.
- 25 (b) The cost of developing a public boating access site.

- 1 (2) A grant under subsection (1)(a) may be used as a local
- 2 unit of government's required match under part 19 or another
- 3 state or federal program.
- 4 (3) A local unit of government receiving a grant under sub-
- 5 section (1)(b) must agree to operate the public boating access
- 6 site in accordance with the department's operational
- 7 requirements.
- 8 (4) A local unit of government that wishes to be considered
- 9 for a grant under this section shall submit an application to the
- 10 department in a manner prescribed by the department and contain-
- 11 ing the information required by the department.
- 12 SEC. 78121. THE DEPARTMENT MAY PROVIDE ASSISTANCE TO A
- 13 PERSON SEEKING TO SECURE CONSTRUCTION, OPERATION, AND MAINTENANCE
- 14 OF RECREATIONAL BOAT SLIPS ON THE WATERS OF THIS STATE AS PRO-
- 15 VIDED IN THIS PART.
- 16 SEC. 78122. THE DEPARTMENT MAY PURCHASE REAL PROPERTY
- 17 ACCESSIBLE TO, OR CAPABLE OF BEING MADE ACCESSIBLE TO, THE WATERS
- 18 OF THIS STATE FOR THE DEVELOPMENT OF MARINAS, AS PROVIDED IN THIS
- 19 PART, ONLY WHEN IT CAN BE DEMONSTRATED THAT THE DEMAND FOR RECRE-
- 20 ATIONAL BOAT SLIPS WITHIN A SPECIFIC HARBOR OR WITHIN A LOCAL
- 21 UNIT OF GOVERNMENT EXCEEDS THE AVAILABLE SUPPLY.
- 22 SEC. 78123. THE DEPARTMENT SHALL NOT PURCHASE PROPERTY
- 23 UNDER THIS PART IF THE LOCAL UNIT OF GOVERNMENT WHERE THE PROP-
- 24 ERTY IS LOCATED IMPOSES PROPERTY TAXES ON PROPERTY CONTAINING A
- 25 SHORELINE RECREATIONAL FACILITY THAT IS OWNED BY AN ADJACENT
- 26 LOCAL UNIT OF GOVERNMENT.

- 1 SEC. 78124. THE DEPARTMENT MAY SELL OR REMOVE BUILDINGS OR
- 2 OTHER STRUCTURES ON REAL PROPERTY ACQUIRED BY THE DEPARTMENT
- 3 UNDER THIS PART, AND MAY SELL REAL PROPERTY OR RIGHTS OR INTER-
- 4 ESTS IN REAL PROPERTY NOT CONSIDERED ESSENTIAL FOR THE PURPOSES
- 5 OF THIS PART.
- 6 SEC. 78125. IF, IN THE JUDGMENT OF THE DEPARTMENT, REAL
- 7 PROPERTY ACQUIRED UNDER THIS PART REQUIRES MODIFICATION OR
- 8 IMPROVEMENT TO MAKE IT FINANCIALLY ATTRACTIVE TO POTENTIAL
- 9 INVESTORS IN A MARINA, THE DEPARTMENT MAY CONSTRUCT
- 10 NONREVENUE-PRODUCING HARBOR FACILITIES AT THOSE SITES.
- 11 SEC. 78126. AFTER REAL PROPERTY IS ACQUIRED UNDER THIS
- 12 PART, THE DEPARTMENT MAY ENTER INTO LEASES OF THE REAL PROPERTY
- 13 OR PORTIONS OF THE REAL PROPERTY THE DEPARTMENT DETERMINES WILL
- 14 AID IN THE CONSTRUCTION OF A MARINA, THE PROVISION OF SUMMER OR
- 15 WINTER STORAGE OF WATERCRAFT, OR THE PROVISION OF SERVICES NOR-
- 16 MALLY FOUND AT COMMERCIAL MARINAS.
- 17 SEC. 78127. (1) IF THE DEPARTMENT DETERMINES THAT REAL
- 18 PROPERTY ACQUIRED BY IT UNDER THIS PART IS SUITABLE FOR USE AS A
- 19 MARINA, THE DEPARTMENT SHALL PUBLICLY SOLICIT PROPOSALS FOR THE
- 20 DEVELOPMENT OF THE MARINA AND THE LEASE OF THE REAL PROPERTY.
- 21 THE SOLICITATION OF PROPOSALS SHALL INCLUDE PUBLISHED NOTICES IN
- 22 AT LEAST 1 LOCAL NEWS PUBLICATION OF GENERAL CIRCULATION IN THE
- 23 AREA IN WHICH THE MARINA WILL BE LOCATED AND IN AT LEAST 2 JOUR-
- 24 NALS RELATED TO THE MARINA, WATERCRAFT, OR HARBOR INDUSTRIES,
- 25 WHICH JOURNALS HAVE STATEWIDE CIRCULATION. A REASONABLE TIME
- 26 SHALL BE ALLOWED FOR BIDDERS TO RESPOND, AND ALL PROPOSALS SHALL
- 27 BE PUBLICLY OPENED AND READ. A PROPOSAL RECEIVED BY THE

- 1 DEPARTMENT IN RESPONSE TO THE SOLICITATION MAY BE REJECTED BY THE
- 2 DEPARTMENT FOR ANY REASON OR WITHOUT CAUSE IF THE DEPARTMENT
- 3 BELIEVES SUCH ACTION TO BE APPROPRIATE. THE DEPARTMENT MAY WAIVE
- 4 ANY DEFECTS IN ANY PROPOSALS RECEIVED, AT ITS DISCRETION, BUT IS
- 5 NOT REQUIRED TO DO SO.
- 6 (2) IN EVALUATING PROPOSALS FOR THE CONSTRUCTION OF
- 7 REVENUE-PRODUCING HARBOR FACILITIES AND THE OPERATION OF A
- 8 MARINA, THE DEPARTMENT SHALL TAKE INTO CONSIDERATION ALL OF THE
- 9 FOLLOWING:
- 10 (A) THE TECHNICAL QUALIFICATIONS OF THE APPLICANTS.
- 11 (B) THE FINANCIAL RESPONSIBILITY OF THE APPLICANTS.
- 12 (C) THE ABILITY OF THE APPLICANTS TO PERFORM EFFICIENTLY THE
- 13 SERVICES NECESSARY TO MAINTAIN A SOUND FACILITY, INCLUDING THE
- 14 PRIOR EXPERIENCE, IF ANY, OF THE APPLICANTS IN OPERATING A
- 15 MARINA.
- 16 (D) THE PROPOSED LEASE PAYMENTS.
- 17 (E) THE NATURE AND SCOPE OF EACH APPLICANT'S PLANS FOR THE
- 18 MARINA.
- 19 (F) THE TIMETABLES FOR DEVELOPMENT OF THE PROPOSED MARINA.
- 20 (G) OTHER FACTORS THE DEPARTMENT CONSIDERS RELEVANT.
- 21 SEC. 78128. (1) A LEASE ENTERED INTO BY THE DEPARTMENT
- 22 UNDER THIS PART SHALL BE FOR AN INITIAL TERM OF NOT MORE THAN 25
- 23 YEARS. A LEASE MAY BE EXTENDED FOR A PERIOD NOT TO EXCEED 5
- 24 YEARS, AT THE DISCRETION OF THE DEPARTMENT, IF THE LESSEE HAS
- 25 COMPLIED WITH THE PROVISIONS OF THE LEASE AND HAS MADE APPROPRI-
- 26 ATE EFFORTS TO UPGRADE AND MAINTAIN THE REAL PROPERTY.

- 1 (2) THE DEPARTMENT SHALL ESTABLISH, BY RULE, A PENALTY
- 2 SCHEDULE FOR NONPAYMENT OF LEASE PAYMENTS. THE DEPARTMENT SHALL
- 3 PROVIDE IN A LEASE ENTERED INTO UNDER THIS PART THAT, IF A LESSEE
- 4 IS IN DEFAULT ON A PAYMENT FOR MORE THAN 60 DAYS, OR IF A LESSEE
- 5 DEFAULTS ON A PAYMENT OR DELAYS MAKING A PAYMENT FOR MORE THAN 30
- 6 DAYS ON MORE THAN 2 OCCASIONS IN A SINGLE YEAR, THE DEPARTMENT
- 7 MAY DECLARE THE LEASE AGREEMENT BREACHED AND SEEK ITS REMEDIES AT
- 8 LAW OR IN ACCORDANCE WITH THE LEASE AGREEMENT.
- 9 (3) THE DEPARTMENT SHALL PROVIDE NOTICE IN ANY LEASE ENTERED
- 10 INTO UNDER THIS PART THAT THE LESSEE MAY BE SUBJECT TO TAXATION
- 11 UNDER 1953 PA 189, MCL 211.181 TO 211.182.
- 12 SEC. 78129. A LEASE ENTERED INTO BY THE DEPARTMENT UNDER
- 13 THIS PART OR AN INTEREST IN A LEASE ENTERED INTO BY THE DEPART-
- 14 MENT UNDER THIS PART SHALL NOT BE SOLD, TRANSFERRED, OR ASSIGNED
- 15 UNLESS THE SALE, TRANSFER, OR ASSIGNMENT IS FIRST APPROVED BY THE
- 16 DEPARTMENT, AFTER RECEIPT OF A WRITTEN APPLICATION CONTAINING THE
- 17 SAME INFORMATION RELATING TO THE PURCHASER, TRANSFEREE, OR
- 18 ASSIGNEE AS IS REQUIRED OF AN ORIGINAL APPLICANT. THIS SECTION
- 19 DOES NOT RESTRICT THE TRANSFER BY BEQUEST OR DESCENT FROM THE
- 20 LESSEE.
- 21 SEC. 78130. A LEASE ENTERED INTO BY THE DEPARTMENT UNDER
- 22 THIS PART SHALL NOT BE ISSUED WITHOUT CONSIDERATION. HOWEVER,
- 23 THE DEPARTMENT MAY ESTABLISH ANNUAL LEASE PAYMENTS, WHICH REDUCE
- 24 THE INITIAL FINANCIAL BURDEN ON THE LESSEE AS MUCH AS IS REASON-
- 25 ABLY POSSIBLE, WITH SUBSEQUENT PAYMENTS TO BE APPROPRIATELY
- 26 INCREASED TO ASSURE PAYMENT OF THE TOTAL LEASE OBLIGATION PRIOR
- 27 TO THE TERMINATION OF THE LEASE.

- 1 SEC. 78131. THE DEPARTMENT MAY ENTER INTO LEASE AGREEMENTS
- 2 FOR PURPOSES OF THIS PART WITH 1 OR MORE LOCAL UNITS OF GOVERN-
- 3 MENT ACTING JOINTLY WITH THE DEPARTMENT AS A LESSOR. REVENUE
- 4 FROM EACH LEASE SHALL BE APPORTIONED ACCORDING TO THE PROPOR-
- 5 TIONAL SHARE OF THE INVESTMENTS MADE BY THE DEPARTMENT AND THE
- 6 LOCAL UNIT OR UNITS OF GOVERNMENT IN THE CONSTRUCTION OF
- 7 NONREVENUE-PRODUCING HARBOR FACILITIES AND IN CONSIDERATION OF
- 8 THE RELATIVE LAND INVESTMENTS OF THE ENTITIES.
- 9 SEC. 78132. THE DEPARTMENT MAY ESTABLISH MINIMUM STANDARDS
- 10 APPLICABLE TO THE CONSTRUCTION AND OPERATION OF HARBOR FACILITIES
- 11 BY A LESSEE INCLUDING, BUT NOT LIMITED TO, RESTROOMS AND SHOWERS,
- 12 THE NUMBER OF SLIPS AVAILABLE TO TRANSIENT AND SEASONAL WATER-
- 13 CRAFT RENTALS, CONSTRUCTION MATERIAL, PARKING LOTS, ENGINEERING
- 14 AND ARCHITECTURAL PLANS AND DESIGNS, WATERCRAFT LAUNCHING FACILI-
- 15 TIES, AND WATERCRAFT STORAGE AND REPAIR FACILITIES.
- 16 SEC. 78133. ALL REVENUE FROM LEASE CONTRACTS ENTERED INTO
- 17 UNDER THIS PART SHALL BE DEPOSITED IN THE STATE TREASURY AND
- 18 CREDITED TO THE FUND.
- 19 SEC. 78134. THE DEPARTMENT IS NOT LIABLE FOR LOSS OF LIFE
- 20 OR INJURY OR DAMAGE TO PERSONS OR PROPERTY AS A RESULT OF THE
- 21 CONDITIONS ON REAL PROPERTY, WATERWAYS, OR FACILITIES ON REAL
- 22 PROPERTY LEASED TO PERSONS BY THE DEPARTMENT UNDER THIS PART.
- 23 HOWEVER, THIS SECTION DOES NOT RELIEVE LESSEES OF ANY OBLIGATIONS
- 24 THEY MAY OTHERWISE HAVE TO PERSONS OR FOR DAMAGES IF THEY ARE
- 25 FOUND TO HAVE FAILED TO MEET THEIR OBLIGATIONS PROPERLY.
- 26 SEC. 78135. A PERSON SHALL NOT DENY ANOTHER INDIVIDUAL THE
- 27 FULL AND EQUAL ENJOYMENT OF THE GOODS, SERVICES, FACILITIES,

- 1 PRIVILEGES, ADVANTAGES, OR ACCOMMODATIONS CREATED UNDER THIS PART
- 2 BECAUSE OF RELIGION, RACE, COLOR, NATIONAL ORIGIN, AGE, SEX, OR
- 3 MARITAL STATUS.
- 4 Sec. 78307. All revenues received by the department under
- 5 this part shall be deposited in the state treasury to the credit
- 6 of the MICHIGAN state waterways fund CREATED IN SECTION 78110 and
- 7 shall be expended as appropriated by the legislature.
- 8 Sec. 78503. Revenues received by the department under this
- 9 part shall be deposited in the state treasury to the credit of
- 10 the Michigan state waterways fund CREATED IN SECTION 78110 and
- 11 shall be spent only pursuant to appropriations by the
- 12 legislature.
- 13 Sec. 80115. (1) The revenue received under this part shall
- 14 be deposited in the state treasury. The revenue division,
- 15 department of treasury, shall annually present to the department
- 16 an accurate total of all the revenues collected, and shall then
- 17 credit the revenues collected to the following funds:
- 18 (a)  $\frac{17.5\%}{}$  51% to the Michigan state waterways fund created
- **19** in section 78110.
- 20 (b) 33.5% to the Michigan harbor development fund created
- 21 in section 78110.
- 22 (B)  $\frac{}{(c)}$  49% to the marine safety fund created in subsec-
- 23 tion (2).
- 24 (2) The marine safety fund is created as a separate fund in
- 25 the state treasury. The legislature shall appropriate MONEY from
- 26 the marine safety fund for water safety education programs and
- 27 for the administration and enforcement of this part, including

- 1 state aid to counties, and for no other purpose, but not in
- 2 excess of revenues credited to the marine safety fund. No por-
- 3 tion of the fees provided for in section 80124 shall be appropri-
- 4 ated for the inspection of vessels that carry passengers for hire
- 5 and are regulated under part 445.
- **6** Enacting section 1. Part 791 of the natural resources and
- 7 environmental protection act, 1994 PA 451, MCL 324.79101 to
- **8** 324.79118, is repealed.