



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bills 722 and 723 (as introduced 9-23-03)
Sponsor: Senator Liz Brater (S.B. 722)
Senator Raymond E. Basham (S.B. 723)
Committee: Natural Resources and Environmental Affairs

Date Completed: 4-27-04

CONTENT

The bills would amend Part 145 (Waste Reduction Assistance) of the Natural Resources and Environmental Protection Act to increase the maximum loan amount from the Small Business Pollution Prevention Assistance Revolving Loan Fund to eligible small businesses; and to amend the definition of "small business" to include those employing 500 or fewer individuals. The bills are tie-barred to each other. A more detailed explanation of each bill follows.

Senate Bill 723

Under the Act, the Department of Environmental Quality (DEQ) must use the Fund to provide loans to small businesses to implement pollution prevention recommendations made in the Retired Engineers Technical Assistance Program (RETAP) audits, and for other qualifying pollution prevention expenditures. Under the bill, the DEQ instead would have to use the Fund to provide loans to small businesses to implement pollution prevention projects. For each of these loans, the money would have to be disbursed by the Department to a lending institution that had entered into a loan participation agreement with the DEQ.

Currently, the maximum loan from the Fund is \$50,000; under the bill, the maximum loan amount would increase to \$150,000.

"Qualifying pollution prevention expenditures" means equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, or inventory control that reduce the amount of environmental waste or reduce the hazards to public health and the environment associated with environmental waste. The bill would delete this definition.

Senate Bill 722

Part 145 defines a "small business" as a business that is independently owned or operated by a person who employs 100 or fewer individuals; is not dominant in its field as defined in Federal regulations; and is a small business concern as defined in the Federal Small Business Act. The bill would increase the maximum number of employees to 500.

The bill would permit the DEQ to promulgate rules to implement and administer Part 145.

MCL 324.14501 et al. (S.B. 722)
MCL 324.14513 (S.B. 723)

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Fiscal Analyst: Jessica Runnels

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.