

SENATE BILL No. 1422

September 12, 2006, Introduced by Senators BIRKHOLZ, McMANUS, JELINEK, BROWN, KUIPERS, CHERRY, GOSCHKA, ALLEN, SCOTT, OLSHOVE, BARCIA, SWITALSKI, BASHAM, CLARK-COLEMAN and BRATER 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 section 16908 (MCL 324.16908), as amended by 2002 PA
496.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 16908. (1) The scrap tire regulatory fund is created in
2 the state treasury. The fund shall receive money as provided by law
3 and any gifts or contributions to the fund. The state treasurer
4 shall direct the investment of the fund. Interest and earnings of
5 the fund shall be credited to the fund. Money in the fund at the
6 close of the fiscal year shall remain in the fund and shall not
7 revert to the general fund.

8 (2) Money in the fund shall be used, upon appropriation, for

1 all of the following purposes:

2 (a) For administrative costs of the department associated with
3 this part including the implementation and enforcement of this
4 part. However, money shall not be expended under this subdivision
5 for the employment of more than ~~the following:~~

6 ~~—— (i) For state fiscal year 2002, 13.5 full time equated~~
7 ~~positions.~~

8 ~~—— (ii) For state fiscal year 2003, 12 full time equated~~
9 ~~positions.~~

10 ~~—— (iii) For state fiscal year 2004 and each subsequent state~~
11 ~~fiscal year, 11 full-time equated positions.~~

12 (b) For the administrative costs of the secretary of state
13 associated with the collection of the tire disposal surcharge
14 pursuant to section 806 of the Michigan vehicle code, 1949 PA 300,
15 MCL 257.806.

16 (c) For the cleanup or collection of abandoned scrap tires and
17 scrap tires at collection sites. The department shall give priority
18 to funding activities under this subdivision at collection sites in
19 which the scrap tires were accumulated prior to January 1, 1991 and
20 to collection sites that pose an imminent threat to public health,
21 safety, welfare, or the environment. The department shall make
22 every effort to assure that all abandoned scrap tires accumulated
23 at collection sites prior to January 1, 1991 are cleaned up or
24 collected by September 31, 2009. **FOR COLLECTION SITES THAT HAVE**
25 **ACCUMULATED TIRES AFTER JANUARY 1, 1991, A LIEN, IN FAVOR OF THE**
26 **STATE UP TO THE VALUE OF THE CLEANUP GRANT AMOUNT AND ANY INCREASE**
27 **IN THE VALUE OF THE PROPERTY AS A RESULT OF THE CLEANUP OF THE**

Senate Bill No. 1422 as amended November 30, 2006

1 PROPERTY WITH GRANT FUNDS, SHALL BE PLACED ON THE PROPERTY THAT IS
 2 AFFECTED BY THE REMOVAL OF THE TIRES AS PROVIDED IN SECTION 16908B.
 <<BEFORE MAKING A GRANT UNDER THIS SUBDIVISION, THE DEPARTMENT SHALL
 CONSIDER THE EXTENT TO WHICH THE MAKING OF THE GRANT WOULD CONTRIBUTE TO
 THE ACHIEVEMENT OF A BALANCED DISTRIBUTION OF GRANTS UNDER THIS
 SUBDIVISION THROUGHOUT THE STATE.>>

3 (3) Money expended under subsection (2)(c) may be expended for
 4 EITHER OR both of the following:

5 (a) Not more than \$500,000.00 each year for ~~reimbursement~~
 6 ~~grants to users of scrap tire processed material~~ GRANTS TO
 7 REIMBURSE THE COST OF PURCHASING SCRAP TIRES to support the
 8 development of increased markets for scrap ~~tire material~~ other
 9 ~~than tire derived fuel usage. A grant issued under this subsection~~
 10 ~~shall be for projects that demonstrate new uses for scrap tire~~
 11 ~~processed material in manufactured products, such as placement of~~
 12 ~~scrap tire processed material in modified asphalt, molded rubber~~
 13 ~~products, extruded rubber products, and aggregate replacement~~
 14 ~~materials. A grant under this subdivision shall reimburse the scrap~~
 15 ~~tire processed material user up to 50% of the cost of purchasing~~
 16 ~~scrap tire processed material, but shall not exceed a reimbursed~~
 17 ~~cost of \$50.00 per ton. However, the scrap tire processed material~~
 18 ~~purchased shall be purchased from Michigan scrap tire processors~~
 19 ~~that produce scrap tire processed material under a grant issued~~
 20 ~~under subsection (2)(c).~~

21 ~~—— (b) For grants to end users who receive scrap tires or tire~~
 22 ~~chips. However, as a condition of a grant under this subdivision,~~
 23 ~~an end user who receives a grant under this subdivision shall agree~~
 24 ~~to purchase 1 ton of scrap tires or tire chips for every 1 ton of~~
 25 ~~scrap tires or tire chips received as a result of the grant. The~~
 26 ~~purchases shall be at the minimum rate of the established statewide~~
 27 ~~market price. TIRES. ONLY THE COST OF PURCHASING SCRAP TIRES FROM~~

1 SCRAP TIRE PROCESSORS IN THIS STATE OR OTHER GENERATORS OF SCRAP
2 TIRES IN THIS STATE IS ELIGIBLE FOR REIMBURSEMENT UNDER THIS
3 SUBDIVISION.

4 (B) FOR GRANTS OF UP TO 50% OF THE COST OF PURCHASING
5 EQUIPMENT, OR RESEARCH AND DEVELOPMENT, TO PROVIDE FOR A NEW OR
6 INCREASED USE FOR SCRAP TIRES.

7 (4) Applications for grants under subsection (3) shall be
8 submitted on a form approved by the department and containing the
9 information required by the department. ~~For grants under~~
10 ~~subsection (3) (a), the~~ **THE** department shall publish criteria upon
11 which the grants will be issued and shall make that information
12 available to grant applicants.

13 ~~—— (5) Not later than 4 years after the effective date of the~~
14 ~~amendatory act that added this subsection, the department shall~~
15 ~~prepare an assessment of the impact that the grants under~~
16 ~~subsection (3) (a) have had on the reduction in the surplus of scrap~~
17 ~~tires in the state and on the establishment of new end uses for~~
18 ~~scrap tires. A copy of this assessment shall be provided to the~~
19 ~~standing committees of the senate and the house of representatives~~
20 ~~with jurisdiction over subject matter pertaining to natural~~
21 ~~resources and the environment.~~

22 ~~—— (6) The department shall annually report to the standing~~
23 ~~committees of the senate and house of representatives with~~
24 ~~jurisdiction over subject matter pertaining to natural resources~~
25 ~~and the environment on the utilization of revenues of the fund.~~

26 Enacting section 1. This amendatory act does not take effect
27 unless all of the following bills of the 93rd Legislature are

1 enacted into law:

2 (a) Senate Bill No. 1423.

3

4 (b) Senate Bill No. ____ or House Bill No. 6477 (request no.
5 06892'06).

6 (c) Senate Bill No. 1424.

7

8 (d) Senate Bill No. 1418.

9

10 (e) Senate Bill No. 1419.

11

12 (f) Senate Bill No. 1420.

13

14 (g) Senate Bill No. ____ or House Bill No. 6474 (request no.
15 07328'06).

16 (h) Senate Bill No. 1421.

17

18 (i) House Bill No. 6476.

19

20 (j) House Bill No. 6475.

21