

SUBSTITUTE FOR
SENATE BILL NO. 1130

A bill to amend 1984 PA 44, entitled
"Motor fuels quality act,"
(MCL 290.641 to 290.650d) by adding section 5a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 5A. (1) THE RENEWABLE FUELS FUND IS CREATED WITHIN THE
2 STATE TREASURY. THE STATE TREASURER MAY RECEIVE MONEY OR OTHER
3 ASSETS FROM ANY SOURCE FOR DEPOSIT INTO THE RENEWABLE FUELS FUND.
4 THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE RENEWABLE
5 FUELS FUND. THE STATE TREASURER SHALL CREDIT TO THE FUND INTEREST
6 AND EARNINGS FROM FUND INVESTMENTS. MONEY IN THE FUND AT THE CLOSE
7 OF THE FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO
8 THE GENERAL FUND.

9 (2) THE STATE TREASURER SHALL DISBURSE MONEY IN THE FUND

1 DESCRIBED IN SUBSECTION (1) ON A QUARTERLY BASIS TO THE DEPARTMENT.
2 BEGINNING NOT LATER THAN FEBRUARY 1, 2009, THE DEPARTMENT SHALL
3 SUBMIT TO THE STATE TREASURER A SUMMARY OF EXPENDITURES DURING THE
4 PRECEDING YEAR OF THE MONEY RECEIVED UNDER THIS SECTION.

5 (3) THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR
6 AUDITING PURPOSES.

7 (4) THE DEPARTMENT SHALL ADMINISTER THE FUND TO DO 1 OR MORE
8 OF THE FOLLOWING:

9 (A) PROMOTE THE PRODUCTION AND USE OF ALTERNATIVE FUELS.

10 (B) AWARD GRANTS TO SELECTED RECIPIENTS TO IMPROVE THE
11 PRODUCTION OF ALTERNATIVE FUELS IN THIS STATE.

12 (C) ENCOURAGE THE DEVELOPMENT OF MOTOR FUEL QUALITY STANDARDS
13 FOR RENEWABLE FUELS UNDER THIS ACT.

14 (D) PROVIDE INCENTIVES TO RETAILERS WHO SELL RENEWABLE FUELS.

15 (E) PROMOTE THE SALE OF VEHICLES THAT CAN BE POWERED BY
16 RENEWABLE FUELS.

17 (5) AS USED IN THIS SECTION:

18 (A) "RENEWABLE FUELS" INCLUDES, BUT IS NOT LIMITED TO,
19 BIODIESEL, BIODIESEL BLEND, HYDROGEN FUEL, AND E85 FUEL.

20 (B) "E85 FUEL" MEANS THAT TERM AS DEFINED IN SECTION 78 OF THE
21 MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2078.