

**SUBSTITUTE FOR  
HOUSE BILL NO. 4937**

A bill to amend 2000 PA 322, entitled  
"Julian-Stille value-added act,"  
by amending the title and section 3 (MCL 285.303); and to repeal  
acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1

**TITLE**

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An act to create certain committees; to create certain funds  
from certain sources and to provide for the disposition of money  
from the funds; to provide for the creation of certain funds by  
certain private entities; to create incentives and to locate and  
maintain value-added agricultural processing, commercialization of  
agriculture, and production ventures within this state; to provide  
for grants, loans, and loan guarantees to certain private and

1 governmental entities for certain purposes; to provide for certain  
2 powers and duties for certain private entities, state agencies,  
3 commissions, and departments; to authorize loans, loan guarantees,  
4 expenditures, and grants from the funds; ~~and to finance the~~  
5 development of certain programs; **AND TO PROVIDE FOR APPROPRIATIONS.**

6 Sec. 3. (1) As used in this section:

7 (a) "Department" means the department of environmental  
8 quality.

9 (b) "Fund" means the Michigan clean air fund created in this  
10 section.

11 (2) The Michigan clean air fund is created within the  
12 department of treasury to be administered by the department. Money  
13 in the fund at the close of the fiscal year shall remain in the  
14 fund and shall not lapse to the general fund. The state treasurer  
15 shall credit to the fund the money from ~~the uncollectibles~~  
16 ~~allowance recovery funds established in section 4 as well as money~~  
17 ~~from any other source~~ provided by law.

18 (3) Money in the fund shall be used by the department to  
19 provide grants and loans to individuals, private or public  
20 corporations, and local units of government for programs or  
21 projects established to reduce oxides of nitrogen and volatile  
22 organic compounds and for the administration of the grant and loan  
23 program.

24 (4) The director of the department shall have final approval  
25 of grants and loans made under this section. Grants and loans made  
26 under this section are contingent upon the availability of money in  
27 the fund.

1           (5) The director of the department may impose fiduciary  
2 obligations upon a recipient of a grant, including performance  
3 bonding, and may impose conditions upon the receipt and expenditure  
4 of the grant money.

5           (6) An application for a grant or loan from the fund shall be  
6 made on a form or in a format prescribed by the department. The  
7 department may require the applicant to provide any information  
8 reasonably necessary to allow the department to make a  
9 determination required under this section.

10          (7) The department shall promulgate rules under the  
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
12 24.328, to implement this section.

13          Enacting section 1. (1) Section 4 of the Julian-Stille value-  
14 added act, 2000 PA 322, MCL 285.304, is repealed.

15          (2) R 460.2601 to R 460.2625 of the Michigan administrative  
16 code are rescinded.

17          Enacting section 2. All money in the Michigan clean air fund  
18 on the effective date of this amendatory act is appropriated and  
19 transferred to the Michigan public service commission for  
20 distribution to utilities in the amounts contributed by the  
21 utilities to the Michigan clean air fund. Money received by the  
22 Michigan public service commission and distributed to utilities  
23 under this enacting section shall be refunded to customers through  
24 the reconciliation process provided in sections 6h and 6j of 1939  
25 PA 3, MCL 460.6h and 460.6j.