

**SUBSTITUTE FOR
SENATE BILL NO. 872**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 20101 (MCL 324.20101), as amended by 2013 PA
141, and by adding section 20101c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 20101. (1) As used in this part:

2 (a) "Act of God" means an unanticipated grave natural disaster
3 or other natural phenomenon of an exceptional, inevitable, and
4 irresistible character, the effects of which could not have been
5 prevented or avoided by the exercise of due care or foresight.

6 (b) "Agricultural property" means real property used for
7 farming in any of its branches, including cultivating of soil;
8 growing and harvesting of any agricultural, horticultural, or

1 floricultural commodity; dairying; raising of livestock, bees,
2 fish, fur-bearing animals, or poultry; turf and tree farming; and
3 performing any practices on a farm as an incident to, or in
4 conjunction with, these farming operations. Agricultural property
5 does not include property used for commercial storage, processing,
6 distribution, marketing, or shipping operations.

7 (c) "All appropriate inquiry" means an evaluation of
8 environmental conditions at a property at the time of purchase,
9 occupancy, or foreclosure that reasonably defines the existing
10 conditions and circumstances at the property in conformance with 40
11 CFR 312.

12 (d) "Attorney general" means the department of the attorney
13 general.

14 (e) "Background concentration" means the concentration or
15 level of a hazardous substance that exists in the environment at or
16 regionally proximate to a facility that is not attributable to any
17 release at or regionally proximate to the facility. A person may
18 demonstrate a background concentration for a hazardous substance by
19 any of the following methods:

20 (i) The hazardous substance complies with the statewide default
21 background levels under ~~R-299.5746~~ **R 299.46** of the Michigan
22 administrative code.

23 (ii) The hazardous substance is listed in the department's 2005
24 Michigan background soil survey and falls within the typical ranges
25 published in that document.

26 (iii) The hazardous substance is listed in any other study or
27 survey conducted or approved by the department and is within the

1 concentrations or falls within the typical ranges published in that
2 study or survey.

3 (iv) A site-specific demonstration.

4 (f) "Baseline environmental assessment" means a written
5 document that describes the results of an all appropriate inquiry
6 and the sampling and analysis that confirm that the property is a
7 facility. However, for purposes of a baseline environmental
8 assessment, the all appropriate inquiry under 40 CFR 312.20(a) may
9 be conducted within 45 days after the date of acquisition of a
10 property and the components of an all appropriate inquiry under 40
11 CFR 312.20(b) and 40 CFR 312.20(c)(3) may be conducted or updated
12 within 45 days after the date of acquisition of a property.

13 (g) "Board" means the brownfield redevelopment board created
14 in section 20104a.

15 (h) "Certificate of completion" means a written response
16 provided by the department confirming that a response activity has
17 been completed in accordance with the applicable requirements of
18 this part and is approved by the department.

19 (i) "Cleanup criteria for unrestricted residential use" means
20 either of the following:

21 (i) Cleanup criteria that satisfy the requirements for the
22 residential category in section 20120a(1)(a) or (16).

23 (ii) Cleanup criteria for unrestricted residential use under
24 part 213.

25 (j) "Department" means the director of the department of
26 environmental quality or his or her designee to whom the director
27 delegates a power or duty by written instrument.

1 (k) "Director" means the director of the department of
2 environmental quality.

3 (l) "Directors" means the directors or their designees of the
4 departments of environmental quality, community health, agriculture
5 and rural development, and state police.

6 (m) "Disposal" means the discharge, deposit, injection,
7 dumping, spilling, leaking, or placing of any hazardous substance
8 into or on any land or water so that the hazardous substance or any
9 constituent of the hazardous substance may enter the environment or
10 be emitted into the air or discharged into any groundwater or
11 surface water.

12 (n) "Enforcement costs" means court expenses, reasonable
13 attorney fees of the attorney general, and other reasonable
14 expenses of an executive department that are incurred in relation
15 to enforcement under this part.

16 (o) "Environment" or "natural resources" means land, surface
17 water, groundwater, subsurface strata, air, fish, wildlife, or
18 biota within the state.

19 (p) "Environmental contamination" means the release of a
20 hazardous substance, or the potential release of a discarded
21 hazardous substance, in a quantity which is or may become injurious
22 to the environment or to the public health, safety, or welfare.

23 (q) "Evaluation" means those activities including, but not
24 limited to, investigation, studies, sampling, analysis, development
25 of feasibility studies, and administrative efforts that are needed
26 to determine the nature, extent, and impact of a release or threat
27 of release and necessary response activities.

1 (r) "Exacerbation" means the occurrence of either of the
2 following caused by an activity undertaken by the person who owns
3 or operates the property, with respect to contamination for which
4 the person is not liable:

5 (i) Contamination that has migrated beyond the boundaries of
6 the property which is the source of the release at levels above
7 cleanup criteria for unrestricted residential use unless a
8 criterion is not relevant because exposure is reliably restricted
9 as otherwise provided in this part.

10 (ii) A change in facility conditions that increases response
11 activity costs.

12 (s) "Facility" means any area, place, or property where a
13 hazardous substance in excess of the concentrations that satisfy
14 the cleanup criteria for unrestricted residential use has been
15 released, deposited, disposed of, or otherwise comes to be located.
16 Facility does not include any area, place, or property where any of
17 the following conditions are satisfied:

18 (i) Response activities have been completed under this part
19 that satisfy the cleanup criteria for unrestricted residential use.

20 (ii) Corrective action has been completed under part 213 that
21 satisfies the cleanup criteria for unrestricted residential use.

22 (iii) Site-specific criteria that have been approved by the
23 department for application at the area, place, or property are met
24 or satisfied and both of the following conditions are met:

25 (A) The site-specific criteria do not depend on any land use
26 or resource use restriction to ensure protection of the public
27 health, safety, or welfare or the environment.

1 (B) Hazardous substances at the area, place, or property that
2 are not addressed by site-specific criteria satisfy the cleanup
3 criteria for unrestricted residential use.

4 (t) "Feasibility study" means a process for developing,
5 evaluating, and selecting appropriate response activities.

6 (u) "Financial assurance" means a performance bond, escrow,
7 cash, certificate of deposit, irrevocable letter of credit,
8 corporate guarantee, or other equivalent security, or any
9 combination thereof.

10 (v) "Foreclosure" means possession of a property by a lender
11 on which it has foreclosed on a security interest or the expiration
12 of a lawful redemption period, whichever occurs first.

13 (w) "Free product" means a hazardous substance in a liquid
14 phase equal to or greater than 1/8 inch of measurable thickness
15 that is not dissolved in water and that has been released into the
16 environment.

17 (x) "Fund" means the cleanup and redevelopment fund
18 established in section 20108.

19 (y) "Hazardous substance" means 1 or more of the following,
20 but does not include fruit, vegetable, or field crop residuals or
21 processing by-products, or aquatic plants, that are applied to the
22 land for an agricultural use or for use as an animal feed, if the
23 use is consistent with generally accepted agricultural management
24 practices at the time of the application **OR STAMP SANDS:**

25 (i) Any substance that the department demonstrates, on a case
26 by case basis, poses an unacceptable risk to the public health,
27 safety, or welfare, or the environment, considering the fate of the

1 material, dose-response, toxicity, or adverse impact on natural
2 resources.

3 (ii) Hazardous substance as defined in the comprehensive
4 environmental response, compensation, and liability act, 42 USC
5 9601 to 9675.

6 (iii) Hazardous waste as defined in part 111.

7 (iv) Petroleum as described in part 213.

8 (z) "Interim response activity" means the cleanup or removal
9 of a released hazardous substance or the taking of other actions,
10 prior to the implementation of a remedial action, as may be
11 necessary to prevent, minimize, or mitigate injury to the public
12 health, safety, or welfare, or to the environment. Interim response
13 activity also includes, but is not limited to, measures to limit
14 access, replacement of water supplies, and temporary relocation of
15 people as determined to be necessary by the department. In
16 addition, interim response activity means the taking of other
17 actions as may be necessary to prevent, minimize, or mitigate a
18 threatened release.

19 (aa) "Lender" means any of the following:

20 (i) A state or nationally chartered bank.

21 (ii) A state or federally chartered savings and loan
22 association or savings bank.

23 (iii) A state or federally chartered credit union.

24 (iv) Any other state or federally chartered lending institution
25 or regulated affiliate or regulated subsidiary of any entity listed
26 in this subparagraph or subparagraphs (i) to (iii).

27 (v) An insurance company authorized to do business in this

1 state pursuant to the insurance code of 1956, 1956 PA 218, MCL
2 500.100 to 500.8302.

3 (vi) A motor vehicle finance company subject to the motor
4 vehicle finance act, 1950 (Ex Sess) PA 27, MCL 492.101 to 492.141,
5 with net assets in excess of \$50,000,000.00.

6 (vii) A foreign bank.

7 (viii) A retirement fund regulated pursuant to state law or a
8 pension fund regulated pursuant to federal law with net assets in
9 excess of \$50,000,000.00.

10 (ix) A state or federal agency authorized by law to hold a
11 security interest in real property or a local unit of government
12 holding a reversionary interest in real property.

13 (x) A nonprofit tax exempt organization created to promote
14 economic development in which a majority of the organization's
15 assets are held by a local unit of government.

16 (xi) Any other person who loans money for the purchase of or
17 improvement of real property.

18 (xii) Any person who retains or receives a security interest to
19 service a debt or to secure a performance obligation.

20 (bb) "Local health department" means that term as defined in
21 section 1105 of the public health code, 1978 PA 368, MCL 333.1105.

22 (cc) "Local unit of government" means a county, city,
23 township, or village, an agency of a local unit of government, an
24 authority or any other public body or entity created by or pursuant
25 to state law. Local unit of government does not include the state
26 or federal government or a state or federal agency.

27 (dd) "Method detection limit" means the minimum concentration

1 of a hazardous substance which can be measured and reported with
2 99% confidence that the analyte concentration is greater than zero
3 and is determined from analysis of a sample in a given matrix that
4 contains the analyte.

5 (ee) "No further action letter" means a written response
6 provided by the department under section 20114d confirming that a
7 no further action report has been approved after review by the
8 department.

9 (ff) "No further action report" means a report under section
10 20114d detailing the completion of remedial actions and including a
11 postclosure plan and a postclosure agreement, if appropriate.

12 (gg) "Operator" means a person who is in control of or
13 responsible for the operation of a facility. Operator does not
14 include either of the following:

15 (i) A person who holds indicia of ownership primarily to
16 protect the person's security interest in the facility, unless that
17 person participates in the management of the facility as described
18 in section 20101a.

19 (ii) A person who is acting as a fiduciary in compliance with
20 section 20101b.

21 (hh) "Owner" means a person who owns a facility. Owner does
22 not include either of the following:

23 (i) A person who holds indicia of ownership primarily to
24 protect the person's security interest in the facility, including,
25 but not limited to, a vendor's interest under a recorded land
26 contract, unless that person participates in the management of the
27 facility as described in section 20101a.

1 (ii) A person who is acting as a fiduciary in compliance with
2 section 20101b.

3 (ii) "Panel" means the response activity review panel created
4 in section 20114e.

5 (jj) "Permitted release" means 1 or more of the following:

6 (i) A release in compliance with an applicable, legally
7 enforceable permit issued under state law.

8 (ii) A lawful and authorized discharge into a permitted waste
9 treatment facility.

10 (iii) A federally permitted release as defined in the
11 comprehensive environmental response, compensation, and liability
12 act, 42 USC 9601 to 9675.

13 (kk) "Postclosure agreement" means an agreement between the
14 department and a person who has submitted a no further action
15 report that prescribes, as appropriate, activities required to be
16 undertaken upon completion of remedial actions as provided for in
17 section 20114d.

18 (ll) "Postclosure plan" means a plan for land use or resource
19 use restrictions or permanent markers at a facility upon completion
20 of remedial actions as required under section 20114c.

21 (mm) "Release" includes, but is not limited to, any spilling,
22 leaking, pumping, pouring, emitting, emptying, discharging,
23 injecting, escaping, leaching, dumping, or disposing of a hazardous
24 substance into the environment, or the abandonment or discarding of
25 barrels, containers, and other closed receptacles containing a
26 hazardous substance. Release does not include any of the following:

27 (i) A release that results in exposure to persons solely within

1 a workplace, with respect to a claim that these persons may assert
2 against their employers.

3 (ii) Emissions from the engine exhaust of a motor vehicle,
4 rolling stock, aircraft, or vessel.

5 (iii) A release of source, by-product, or special nuclear
6 material from a nuclear incident, as those terms are defined in the
7 atomic energy act of 1954, 42 USC 2011 to 2297h-13, if the release
8 is subject to requirements with respect to financial protection
9 established by the nuclear regulatory commission under 42 USC 2210,
10 or any release of source by-product or special nuclear material
11 from any processing site designated under 42 USC 7912(a)(1) or 42
12 USC 7942(a).

13 (iv) If applied according to label directions and according to
14 generally accepted agricultural and management practices at the
15 time of the application, the application of a fertilizer, soil
16 conditioner, agronomically applied manure, or pesticide, or fruit,
17 vegetable, or field crop residuals or processing by-products,
18 aquatic plants, or a combination of these substances. As used in
19 this subparagraph, fertilizer and soil conditioner have the meaning
20 given to these terms in part 85, and pesticide has the meaning
21 given to that term in part 83.

22 (v) A release does not include fruits, vegetables, field crop
23 processing by-products, or aquatic plants, that are applied to the
24 land for an agricultural use or for use as an animal feed, if the
25 use is consistent with generally accepted agricultural and
26 management practices at the time of the application.

27 (vi) The relocation of soil under section 20120c.

1 (nn) "Remedial action" includes, but is not limited to,
2 cleanup, removal, containment, isolation, destruction, or treatment
3 of a hazardous substance released or threatened to be released into
4 the environment, monitoring, maintenance, or the taking of other
5 actions that may be necessary to prevent, minimize, or mitigate
6 injury to the public health, safety, or welfare, or to the
7 environment.

8 (oo) "Remedial action plan" means a work plan for performing
9 remedial action under this part.

10 (pp) "Residential closure" means a property at which the
11 contamination has been addressed in a no further action report that
12 satisfies the limited residential cleanup criteria under section
13 20120a(1)(c) or the site-specific residential cleanup criteria
14 under sections 20120a(2) and 20120b, that contains land use or
15 resource use restrictions, and that is approved by the department
16 or is considered approved by the department under section 20120d.

17 (qq) "Response activity" means evaluation, interim response
18 activity, remedial action, demolition, providing an alternative
19 water supply, or the taking of other actions necessary to protect
20 the public health, safety, or welfare, or the environment or the
21 natural resources. Response activity also includes health
22 assessments or health effect studies carried out under the
23 supervision, or with the approval of, the department of community
24 health and enforcement actions related to any response activity.

25 (rr) "Response activity costs" or "costs of response activity"
26 means all costs incurred in taking or conducting a response
27 activity, including enforcement costs.

1 (ss) "Response activity plan" means a plan for undertaking
2 response activities. A response activity plan may include 1 or more
3 of the following:

4 (i) A plan to undertake interim response activities.

5 (ii) A plan for evaluation activities.

6 (iii) A feasibility study.

7 (iv) A remedial action plan.

8 (tt) "Security interest" means any interest, including a
9 reversionary interest, in real property created or established for
10 the purpose of securing a loan or other obligation. Security
11 interests include, but are not limited to, mortgages, deeds of
12 trusts, liens, and title pursuant to lease financing transactions.
13 Security interests may also arise from transactions such as sale
14 and leasebacks, conditional sales, installment sales, trust receipt
15 transactions, certain assignments, factoring agreements, accounts
16 receivable financing arrangements, consignments, or any other
17 transaction in which evidence of title is created if the
18 transaction creates or establishes an interest in real property for
19 the purpose of securing a loan or other obligation.

20 (UU) **"STAMP SANDS" MEANS FINELY GRAINED CRUSHED ROCK RESULTING**
21 **FROM MINING, MILLING, OR SMELTING OF COPPER ORE AND INCLUDES NATIVE**
22 **SUBSTANCES CONTAINED WITHIN THE CRUSHED ROCK AND ANY ANCILLARY**
23 **MATERIAL ASSOCIATED WITH THE CRUSHED ROCK.**

24 (VV) ~~(uu)~~—"Target detection limit" means the detection limit
25 for a hazardous substance in a given environmental medium that is
26 specified by the department on a list that it publishes not more
27 than once a year. The department shall identify 1 or more

1 analytical methods, when a method is available, that are judged to
2 be capable of achieving the target detection limit for a hazardous
3 substance in a given environmental medium. The target detection
4 limit for a given hazardous substance is greater than or equal to
5 the method detection limit for that hazardous substance. In
6 establishing a target detection limit, the department shall
7 consider the following factors:

8 (i) The low level capabilities of methods published by
9 government agencies.

10 (ii) Reported method detection limits published by state
11 laboratories.

12 (iii) Reported method detection limits published by commercial
13 laboratories.

14 (iv) The need to be able to measure a hazardous substance at
15 concentrations at or below cleanup criteria.

16 **(WW)** ~~(vv)~~ "Threatened release" or "threat of release" means
17 any circumstance that may reasonably be anticipated to cause a
18 release.

19 **(XX)** ~~(ww)~~ "Venting groundwater" means groundwater that is
20 entering a surface water of the state from a facility.

21 (2) As used in this part:

22 (a) The phrase "a person who is liable" includes a person who
23 is described as being subject to liability in section 20126. The
24 phrase "a person who is liable" does not presume that liability has
25 been adjudicated.

26 (b) The phrase "this part" includes "rules promulgated under
27 this part".

1 SEC. 20101C. PROPERTY WHERE STAMP SANDS HAVE BEEN DEPOSITED IS
2 NOT SUBJECT TO REGULATION UNDER THIS PART UNLESS THE PROPERTY
3 OTHERWISE CONTAINS HAZARDOUS SUBSTANCES IN EXCESS OF THE
4 CONCENTRATIONS THAT SATISFY CLEANUP CRITERIA FOR UNRESTRICTED
5 RESIDENTIAL USE.