

SENATE BILL No. 1053

September 7, 2016, Introduced by Senator GREEN and referred to the Committee on Agriculture.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 21506a and 21508 (MCL 324.21506a and
324.21508), as amended by 2014 PA 416.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 21506a. (1) The refined petroleum fund is created within
2 the state treasury.

3 (2) The state treasurer may receive money or other assets from
4 any source for deposit into the refined petroleum fund. The state
5 treasurer shall direct the investment of the refined petroleum
6 fund. The state treasurer shall credit to the refined petroleum
7 fund interest and earnings from refined petroleum fund investments.

8 (3) Money in the refined petroleum fund at the close of the
9 fiscal year shall remain in the refined petroleum fund and shall
10 not lapse to the general fund.

(4) Money from the refined petroleum fund shall be expended, upon appropriation, only for 1 or more of the following purposes:

(a) Corrective actions performed by the department pursuant to section 21320.

(b) The reasonable costs of the department in administering the refined petroleum fund and implementing part 213.

(c) ~~Until December 31, 2016,~~ **NOT MORE THAN \$5,000,000.00 ANNUALLY** for ~~gasoline~~ **PETROLEUM PRODUCT** inspection programs under both of the following:

(i) The weights and measures act, 1964 PA 283, MCL 290.601 to 290.635.

(ii) The motor fuels quality act, 1984 PA 44, MCL 290.641 to 290.650d.

(D) NOT MORE THAN \$3,000,000.00 ANNUALLY FOR THE BUREAU OF FIRE SERVICES AND OFFICE OF THE STATE FIRE MARSHAL, STORAGE TANK DIVISION, IN THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS.

(E) ~~(d)~~ Other purposes as determined by the legislature.

Sec. 21508. (1) An environmental protection regulatory fee is imposed on all refined petroleum products sold for resale in this state or consumption in this state. The regulatory fee shall be charged for capacity utilization of refined petroleum underground storage tanks measured on a per gallon basis. The regulatory fee shall be charged against all refined petroleum products sold for resale in this state or consumption in this state so as to not exclude any products that may be stored in a refined petroleum underground **STORAGE** tank at any point after the petroleum is refined. The regulatory fee shall be ~~7/8~~ **1** cent per gallon for each

1 gallon of refined petroleum sold for resale in this state or
2 consumption in this state, with the per gallon charge being a
3 direct measure of capacity utilization of a refined **PETROLEUM**
4 underground storage tank system. ~~Beginning January 1, 2015, the~~ **THE**
5 regulatory fee shall not be imposed on a bulk transfer of or a 2-
6 party exchange involving refined petroleum or refined petroleum
7 products.

8 (2) The department of treasury shall precollect regulatory
9 fees from persons who refine petroleum in this state for resale in
10 this state or consumption in this state and persons who import
11 refined petroleum into this state for resale in this state or
12 consumption in this state. The department of treasury shall collect
13 regulatory fees that can be collected at the same time as the sales
14 tax under section 6a of the general sales tax act, 1933 PA 167, MCL
15 205.56a. The remainder of the regulatory fees shall be collected in
16 the manner determined by the state treasurer.

17 (3) A public utility with more than 500,000 customers in this
18 state is exempt from any fee or assessment imposed under this part
19 if that fee or assessment is imposed on petroleum used by that
20 public utility for the generation of steam or electricity.

21 ~~(4) Beginning on the effective date of the 2014 amendatory act~~
22 ~~that amended this section, all~~ **ALL** regulatory fees collected
23 pursuant to this part during each state fiscal year shall be
24 deposited as follows:

25 (a) The first \$20,000,000.00 that is collected shall be
26 deposited into the fund.

27 (b) Following the deposit under subdivision (a), all money

1 collected shall be deposited into the refined petroleum fund.

2 (5) The department of treasury may audit, enforce, collect,
3 and assess the fee imposed by this part in the same manner and
4 subject to the same requirements as revenues collected pursuant to
5 1941 PA 122, MCL 205.1 to 205.31.

6 Enacting section 1. This amendatory act does not take effect
7 unless all of the following bills of the 98th Legislature are
8 enacted into law:

9 (a) Senate Bill No. 506.

10 (b) Senate Bill No. ____ or House Bill No. ____ (request no.
11 04826'15 *).

12 (c) Senate Bill No. ____ or House Bill No. ____ (request no.
13 04827'15 *).