

**SUBSTITUTE FOR
SENATE BILL NO. 494**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 8705, 8708, 8715, and 8716 (MCL 324.8705,
324.8708, 324.8715, and 324.8716), section 8705 as amended by 2011
PA 2 and sections 8708, 8715, and 8716 as amended by 2015 PA 118.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8705. (1) "Registrant" means that term as ~~it is~~ defined
2 in part 83.

3 (2) "Restricted use pesticide" means that term as ~~it is~~
4 defined in part 83.

5 (3) "Site-specific nutrient management plan" means a plan
6 designed to assist farmers in achieving MAEAP standards that
7 includes both of the following:

1 (a) Conservation practices and nutrient management activities
2 that, when implemented as part of a conservation system, will help
3 to ensure that both production and natural resources protection
4 goals are achieved.

5 (b) Proposed actions to address soil erosion, manure, and
6 organic by-products and their potential impact on water quality.

7 ~~(4) "Specialty pesticide" means a disinfectant, sanitizer,~~
8 ~~germicide, biocide, or other pesticide labeled solely for use~~
9 ~~directly on humans or pets, or other pesticides labeled solely for~~
10 ~~use in areas associated with the household or home life including~~
11 ~~garden and ornamental uses or on institutional or industrial~~
12 ~~premises, but excludes pesticides labeled for use on rights-of-way,~~
13 ~~or other outdoor wide-area treatments.~~

14 (4) ~~(5)~~ "State management plan" means a plan for the
15 protection of groundwater as required by the United States
16 ~~environmental protection agency's~~ **Environmental Protection Agency's**
17 labeling requirements for pesticides and devices ~~pursuant to~~ **under**
18 40 CFR part 156.

19 (5) ~~(6)~~ "Technical assistance" means direct on-site assistance
20 provided to individuals that is designed to achieve MAEAP
21 standards.

22 (6) ~~(7)~~ "Use" means the loading, mixing, applying, storing,
23 transporting, or disposing of a pesticide or fertilizer.

24 (7) ~~(8)~~ "Verification" means the on-site evaluation performed
25 by the department in accordance with protocols adopted by the
26 commission of agriculture and rural development to determine if
27 MAEAP standards have been met.

28 (8) ~~(9)~~ "Water monitoring" means monitoring of water in areas
29 adjacent to properties to determine the concentration and spatial

1 distribution of contaminants.

2 Sec. 8708. (1) The director shall establish an environmental
3 assurance advisory council composed of all of the following:

4 (a) The director of the department of agriculture and rural
5 development.

6 (b) The director of the department of ~~environmental~~
7 ~~quality~~**environment, Great Lakes, and energy**.

8 (c) The director of the Michigan State University Extension.

9 (d) The director of the Michigan State University
10 AgBioResearch.

11 (e) Representatives of all of the following as appointed by
12 the director to serve terms of 3 years:

13 (i) The United States Department of Agriculture, ~~—~~Farm
14 Service Agency.

15 (ii) The United States Department of Agriculture Natural
16 Resources Conservation Service.

17 (iii) Conservation districts.

18 (iv) Farmers and other agricultural organizations.

19 (v) Nongovernmental conservation and environmental
20 organizations.

21 (vi) Regulated agricultural industries.

22 (vii) A private consulting forester.

23 (viii) A member of the forest products industry.

24 (ix) A member of the logging profession.

25 (x) Other ~~persons~~**individuals** as determined by the director.

26 (xi) A member representing each regional environmental
27 assurance team established under section 8709.

28 (2) The council shall be co-chaired by the representative from
29 Michigan State University Extension and a representative from 1 of

1 the farmers and other agricultural organizations.

2 (3) The council shall advise the director on topics including,
3 but not limited to, the following:

4 (a) MAEAP standards.

5 (b) On-site evaluations for verification of specific aspects
6 of a farming operation.

7 (c) Water quality and environmental monitoring.

8 (d) Protocols for verification and revocation of verification.

9 (e) MAEAP activities.

10 (f) Interagency coordination of conservation programs.

11 (g) The use of money in the clean water fund created in
12 section 8807 and other funding sources to promote MAEAP and
13 activities to encourage more MAEAP-verified farms.

14 (h) Options to increase assistance to assist small- and
15 medium-sized farms in achieving MAEAP standards.

16 (i) The creation of subcommittees as needed to address
17 emerging and ongoing issues.

18 (j) On-site evaluations of potential environmental,
19 ecological, and economic benefits that can be realized by managing
20 areas of the land that are not utilized for traditional or
21 production agriculture practices.

22 (4) The council shall do all of the following:

23 (a) Annually provide recommendations to the director on MAEAP
24 standards and protocols for verification and revocation of
25 verification for consideration by the commission of agriculture and
26 rural development.

27 (b) Annually submit a report to the department that outlines
28 activities, accomplishments, and emerging issues. The department
29 shall share this report with the agriculture community.

(c) Provide recommendations to the director on the creation of a tiered recognition program for farms working toward MAEAP verification. To qualify for the **tiered** recognition program, farmers must have completed educational programs, conducted appropriate farm assessments, and implemented conservation practices as approved by the director. The tiers may be used to recognize a farm's movement toward MAEAP verification.

(d) ~~Provide~~ **Beginning April 1, 2022, provide biannually, or at the request of the director,** recommendations to the director and the legislature on incentives **and program modifications** to increase participation in MAEAP.

(e) Annually provide recommendations to the director on funding for research projects that address impediments to verification and improve MAEAP practice standards.

Sec. 8715. (1) In addition to the fees provided for in part 83, a registrant shall pay an annual water quality protection fee for each product to be registered. The water quality protection fee is \$270.00 per product. The water quality protection fee is due in the office of the director before July 1.

(2) ~~An~~ **A registrant shall pay an** additional late fee of \$100.00 ~~shall be paid by the registrant~~ for each pesticide if the pesticide registration is a renewal registration and the water quality protection fee is received by the department after June 30.

(3) A person required to pay a specialty fertilizer or soil conditioner registration fee under section 8505 shall pay an additional \$100.00 water quality protection fee for each brand and product name of each grade registered.

(4) All fertilizer manufacturers or distributors licensed under part 85, except specialty fertilizer and soil conditioner

1 registrants, shall pay the following:

2 (a) Until December 31, 2015, a water quality protection fee of
3 1-1/2 cents per percent of nitrogen in the fertilizer for each ton
4 of fertilizer sold.

5 (b) Beginning January 1, 2016, \$.0005 per pound of fertilizer
6 sold.

7 (5) The fees collected under this part, including any interest
8 or dividends earned, ~~shall~~**must** be transmitted to the state
9 treasurer, who shall credit the money received to the fund.

10 (6) Upon the expenditure or appropriation of money raised in
11 this section for any purpose other than those specifically listed
12 in this part, authorization to collect fees in this section ~~shall~~
13 **must** be suspended until the money expended or appropriated for
14 purposes other than those listed in this part are returned to the
15 fund.

16 (7) The department may audit, or may contract for audits of
17 records that are the basis for fees levied under this section.

18 (8) This section is repealed December 31, ~~2021~~**2025**.

19 Sec. 8716. (1) The freshwater protection fund is created
20 within the state treasury.

21 (2) The state treasurer may receive money or other assets from
22 any source for deposit into the fund, including general fund
23 general purpose appropriations, gifts, grants, and bequests. The
24 director shall annually seek matching general fund general purpose
25 appropriations in amounts equal to the water quality protection
26 fees collected under section 8715 that are deposited into the fund
27 ~~pursuant to~~**under** this part. The state treasurer shall direct the
28 investment of the fund. The state treasurer shall credit to the
29 fund interest and earnings from fund investments.

1 (3) Money in the fund at the close of the fiscal year ~~shall~~
2 ~~remain~~**remains** in the fund and ~~shall~~**does** not lapse to the general
3 fund.

4 (4) The department ~~shall be~~**is** the administrator of the fund
5 for auditing purposes.

6 (5) The department shall expend money from the fund, upon
7 appropriation, only for 1 or more of the following purposes:

8 (a) Direct assistance.

9 (b) Indirect assistance.

10 (c) Emergency response and removal of potential sources of
11 water contamination. Expenditures ~~pursuant to~~**under** this
12 subdivision ~~shall~~**must** not exceed \$15,000.00 per location.

13 (d) Natural resources protection.

14 (e) Administrative costs. Expenditures ~~pursuant to~~**under** this
15 subdivision ~~shall~~**must** not exceed 20% of the annual appropriations
16 from the fund.

17 (6) The department shall establish criteria and procedures for
18 approving proposed expenditures from the fund.

19 (7) Notwithstanding section 8715, if at the close of any
20 fiscal year the amount of money in the fund exceeds \$5,000,000.00,
21 the department shall not collect water quality protection fees for
22 the following year. After the water quality protection fees have
23 been suspended under this subsection, the fees ~~shall~~**must** only be
24 reinstated if, at the close of any succeeding fiscal year, the
25 amount of money in the fund is less than \$2,000,000.00.

26 (8) The department of treasury shall, before November 1 of
27 each year, notify the department of the balance in the fund at the
28 close of the preceding fiscal year.

29 (9) As used in this section:

(a) "Administrative costs" includes, but is not limited to, costs incurred during any of the following:

(i) Groundwater monitoring for pesticides and fertilizers.

(ii) Development and enforcement of natural resources protection rules.

(iii) Coordination of programs under this part with the United States Environmental Protection Agency and other state programs with environmental protection responsibilities.

(iv) Coordination of programs under this part with the United States Department of Agriculture Natural Resources Conservation Service and state programs with nonpoint source pollution prevention and conservation practice responsibilities.

(v) Management of pesticide sales information.

(b) "Direct assistance" includes, but is not limited to, programs that will provide for any of the following:

(i) Provision of alternate noncommunity water supplies.

(ii) Closure of wells that may impact groundwater, such as abandoned, improperly constructed, or drainage wells.

(iii) The environmentally sound disposal or recycling of specialty pesticide containers.

~~(iv) The environmentally sound disposal or recycling of nonspecialty pesticide containers.~~

(iv) ~~(v) Specialty and nonspecialty pesticide~~ **Pesticide** disposal programs.

(v) ~~(vi)~~ Programs devoted to integrated natural resources conservation that encourage the judicious use of pesticides and fertilizers and other agricultural inputs and practices that are protective of water quality through targeted systems approach to management decisions.

1 (vi) ~~(vii)~~ Incentive and cost share programs to assist farmers
2 in achieving MAEAP standards.

3 (vii) ~~(viii)~~ Incentive and cost share programs for MAEAP-verified
4 farms with potential sources of contamination on their property.

5 (viii) ~~(ix)~~ Monitoring of private well water for pesticides,
6 fertilizers, and other contaminants.

7 (ix) ~~(x)~~ Removal of soils and waters contaminated by pesticides
8 and fertilizers and the land application of those materials at
9 agronomic rates.

10 (x) ~~(xi)~~ MAEAP grants ~~pursuant to~~ **under** section 8710.

11 (xi) ~~(xii)~~ Programs that enhance investment of private and
12 federal funds in conservation.

13 (xii) ~~(xiii)~~ Verification.

14 (xiii) ~~(xiv)~~ Other programs established ~~pursuant to~~ **under** this
15 part.

16 (c) "Indirect assistance" includes, but is not limited to,
17 programs that will provide for any of the following:

18 (i) Public education and demonstration programs on ~~specialty~~
19 pesticide container recycling and environmentally sound disposal
20 methods.

21 (ii) Educational programs.

22 (iii) Technical assistance programs.

23 (iv) The promotion and implementation of on-site evaluation
24 systems, conservation practices, and the MAEAP.

25 (v) Research programs.