

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.21502 Definitions; A to O.

Sec. 21502. As used in this part:

- (a) "Administrator" means the administrator of the authority as provided for in section 21525.
- (b) "Affiliate" means a person that directly, or indirectly through 1 or more intermediaries, controls the person specified.
- (c) "Approved claim" means a claim that is approved pursuant to section 21510.
- (d) "Authority" means the underground storage tank authority created in section 21523.
- (e) "Board of directors" or "board" means the board of directors of the authority.
- (f) "Bond proceeds account" means the account within the fund to which proceeds of bonds or notes issued under this part have been credited.
- (g) "Bonds or notes" means the bonds, notes, commercial paper, other obligations of indebtedness, or any combination of these, issued by the finance authority pursuant to this part.
- (h) "Bulk transfer" means a transfer of refined petroleum or a refined petroleum product from, or purchase for resale by, a refiner, pipeline terminal operator, supplier, or marine terminal operator to or from another refiner, pipeline terminal operator, supplier, or marine terminal operator through pipeline tender or marine delivery, including pipeline movements of refined petroleum or a refined petroleum product from 1 or more marine vessel movements of refined petroleum or a refined petroleum product. Refined petroleum or a refined petroleum product in a refinery, pipeline, terminal, or marine vessel transporting refined petroleum or a refined petroleum product to a refinery or terminal is in the bulk transfer terminal system. Notwithstanding anything to the contrary in this subdivision, refined petroleum or a refined petroleum product transferred or purchased for resale by a refiner, pipeline terminal operator, supplier, or marine terminal operator must be delivered to or otherwise remain within the bulk transfer terminal system prior to removal across the rack in order to constitute a bulk transfer.
- (i) "Bulk transfer terminal system" means the refined petroleum or refined petroleum product distribution system consisting of refineries, pipelines, marine vessels, and terminals and includes refined petroleum or refined petroleum product storage tanks and refined petroleum or refined petroleum product storage facilities that are part of a refinery, boat terminal transfer, or terminal owned, operated, or controlled by a refiner, marine terminal operator, or pipeline terminal operator.
- (j) "Claim" means the submission by the owner or operator or his or her representative of documentation on an application requesting payment by the authority. A claim shall include, at a minimum, a completed and signed claim form and the name, address, and telephone number of the owner or operator.
- (k) "Claims limit" means \$1,000,000.00 per release. Two or more claims arising out of the same, interrelated, associated, repeated, or continuous releases or a series of related releases shall be subject to 1 claims limit. Any claim that takes place over 2 or more claim periods shall be subject to 1 claims limit.
- (l) "Claim period" means a 1-year period commencing on October 1 of each year and ending on September 30 the following year.
- (m) "Claim period aggregate limit" means the following aggregate claims limit for all releases discovered during a claim period:
 - (i) For owners, operators, and affiliates of 1 to 100 refined petroleum underground storage tanks, \$1,000,000.00.
 - (ii) For owners, operators, and affiliates of more than 100 refined petroleum underground storage tanks, \$2,000,000.00.
- (n) "Controls" means the possession or the contingent or noncontingent right to acquire possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities or interests, by contract, other than a commercial contract for goods or nonmanagement services, by pledge of securities, or otherwise, unless the power is the result of an official position with or corporate office held by the person.
- (o) "Corrective action" means that term as it is defined in section 21302.
- (p) "Deductible amount" means the amount of corrective action costs or indemnification costs that are required to be paid by an owner or operator as provided in section 21510a.
- (q) "Department" means the department of environmental quality.
- (r) "Eligible person" means an owner or operator who meets the eligibility requirements under this part to submit a claim.
- (s) "Excluded liquid" means that term as defined in 26 CFR 48.4081-1.
- (t) "Finance authority" means the Michigan finance authority created by Executive Reorganization Order

No. 2010-2, MCL 12.194.

(u) "Financial responsibility requirements" means the financial responsibility for taking corrective action and for compensating third parties for bodily injury and property damage caused by a release from a refined petroleum underground storage tank system that the owner or operator of a refined petroleum underground storage tank system must demonstrate under part 211 and the rules promulgated under that part.

(v) "Fund" means the underground storage tank cleanup fund created in section 21506b and includes the bond proceeds account established within the fund.

(w) "Indemnification" means indemnification of an owner or operator for a legally enforceable judgment entered against the owner or operator by a third party, or a legally enforceable settlement entered between the owner or operator and a third party, compensating that third party for bodily injury or property damage, or both, caused by an accidental release as those terms are defined in R 29.2163 of the Michigan Administrative Code.

(x) "Location" means a parcel of property where refined petroleum underground storage tank systems are registered pursuant to part 211.

(y) "Marine terminal operator" means a person that stores refined petroleum or a refined petroleum product at a boat terminal transfer.

(z) "Operator" means that term as it is defined in section 21303 or a person to whom an approved claim has been assigned or transferred.

(aa) "Owner" means that term as it is defined in section 21303.

(bb) "Oxygenate" means an organic compound containing oxygen and having properties as a fuel that are compatible with petroleum, including, but not limited to, ethanol, methanol, or methyl tertiary butyl ether (MTBE).

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2004, Act 390, Imd. Eff. Oct. 12, 2004;—Am. 2006, Act 318, Imd. Eff. July 20, 2006;—Am. 2012, Act 113, Imd. Eff. May 1, 2012;—Am. 2014, Act 416, Imd. Eff. Dec. 30, 2014;—Am. 2016, Act 380, Eff. Mar. 22, 2017.

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