

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

324.61524 Fee for monitoring, surveillance, enforcement, and administration of part.

Sec. 61524. (1) For the purposes of monitoring, surveillance, enforcement, and administration of this part, a fee not in excess of 1%, based upon the gross cash market value, is levied upon oil and gas produced in this state. The fee shall be collected by the revenue division of the department of treasury in the same manner, at the same time, and subject to the provisions of the tax levied by 1929 PA 48, MCL 205.301 to 205.317.

(2) The fee shall be computed as follows:

(a) The director of the department of management and budget, on or before November 1, shall certify to the department of treasury the amount appropriated for the fiscal year for the purposes of monitoring, surveillance, enforcement, and administration of this part.

(b) The department shall estimate the total production and gross cash market value of all oil and gas that will be produced in this state during the fiscal year ending September 30, and shall certify its estimate to the department of treasury on or before November 1.

(c) Within 30 days after the effective date of the 1998 amendments to this section and on or before December 1 of each succeeding year, the department of treasury shall determine the fee as follows:

(i) If the fund balance is less than \$7,000,000.00 as of the end of the fiscal year immediately prior to November 1, the fee shall be 1% of the gross cash market value of oil and gas produced, or an amount calculated to cause the fund to accumulate to \$7,000,000.00 at the end of the current fiscal year, whichever is less.

(ii) If the fund balance is equal to or exceeds \$7,000,000.00 as of the end of the fiscal year immediately prior to November 1, the fee shall be the ratio, to the nearest 1/100 of 1%, that the appropriation bears to the total gross cash market value of the oil and gas that will be produced in this state as estimated by the department as provided in subdivision (b).

(iii) Any money accumulated in the fund in excess of \$7,000,000.00 as of the end of the fiscal year shall be deducted from the following year's appropriation in determining an amount to be certified by the director of the department of management and budget to the department of treasury for computing the annual fee provided for in this section.

(d) The percentage determined pursuant to subdivision (c) shall not exceed 1% and shall be the fee beginning the first of the following month and will continue to be the fee for the next 12 months and until a different fee is determined. However, the fee shall be 1% beginning the first day of the second month after the effective date of the 1998 amendments to this section and will continue to be the fee for the remainder of that calendar year.

(3) The proceeds of the fee provided for in this section shall be forwarded to the state treasurer for deposit into the fund.

History: Add. 1995, Act 57, Imd. Eff. May 24, 1995;—Am. 1998, Act 252, Imd. Eff. July 10, 1998.

Popular name: Act 451

Popular name: NREPA

Popular name: Supervisor of Wells