

**SUBSTITUTE FOR
HOUSE BILL NO. 5264**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 19608 (MCL 324.19608), as added by 1998 PA
288.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 19608. (1) Money in the fund that is allocated under
2 section 19607 shall be used for the following purposes:
3 (a) Money allocated under section 19607(1)(a) shall be used
4 by the department to fund all of the following:
5 (i) Corrective actions undertaken by the department to
6 address releases from leaking underground storage tanks pursuant
7 to part 213.
8 (ii) Response activities undertaken by the department at
9 facilities pursuant to part 201 to address public health and
10 environmental problems or to promote redevelopment.

House Bill No. 5264 (H-1) as amended November 13, 2003

1 (iii) Assessment activities undertaken by the department to
2 determine whether a property is a facility.

3 (iv) ~~Not more than \$20,000,000.00~~ **\$75,000,000.00** shall be
4 used to provide grants and loans to local units of government and
5 brownfield redevelopment authorities created under the brownfield
6 redevelopment financing act, 1996 PA 381, MCL 125.2651 to
7 125.2672, for response activities at known or suspected
8 facilities with redevelopment potential. **Of the money provided**
9 **for in this subparagraph, not more than \$37,500,000.00 shall be**
10 **used to provide grants and not more than \$37,500,000.00 shall be**
11 **used to provide loans pursuant to the clean Michigan initiative**
12 **revolving loan program created in section 19608a. However,**
13 **grants or loans provided for in this subparagraph shall not be**
14 **made to a local unit of government or a brownfield redevelopment**
15 **authority that is responsible for causing a release or threat of**
16 **release under part 201 [at the site proposed for grant or loan funding].**

17 (v) Not more than [~~\$12,000,000.00~~ **\$14,000,000.00**] shall be used for
18 grants
19 pursuant to the municipal landfill grant program under section
20 20109a. **[Of the money provided under this subparagraph for grants, not**
21 **less than \$2,000,000.00 shall be used for response activities on land,**
22 **containing 1 or more landfills and 1 or more abandoned oil or gas wells,**
23 **that is being redeveloped for use as a county park.]**

24 (b) Money allocated under section 19607(1)(b) shall be used
25 for waterfront redevelopment grants pursuant to part 795.

26 (c) Money allocated under section 19607(1)(c) shall be used
27 for response activities for the remediation of contaminated lake
and river sediments pursuant to part 201.

(d) Money allocated under section 19607(1)(d) shall be used
for nonpoint source pollution prevention and control grants or
wellhead protection grants pursuant to part 88.

1 (e) Money allocated under section 19607(1)(e) shall be
2 deposited into the clean water fund created in ~~part 88~~ **section**
3 **8807**.

4 (f) Money allocated under section 19607(1)(f) shall be
5 expended as follows:

6 (i) \$10,000,000.00 shall be deposited into the retired
7 engineers technical assistance program fund created in section
8 14512.

9 (ii) \$5,000,000.00 shall be deposited into the small business
10 pollution prevention assistance revolving loan fund created in
11 section 14513.

12 (iii) \$5,000,000.00 shall be used by the department to
13 implement pollution prevention activities other than those funded
14 under subparagraphs (i) and (ii).

15 (g) Money that is allocated under section 19607(1)(g) shall
16 be used by the department of community health for remediation and
17 physical improvements to structures to abate or minimize exposure
18 of persons to lead hazards.

19 (h) Money allocated under section 19607(1)(h) shall be used
20 for infrastructure improvements at Michigan state parks as
21 determined by the department of natural resources. The
22 installation or upgrade of drinking water systems or rest room
23 facilities shall be the first priority.

24 (i) Money allocated under section 19607(1)(i) shall be used
25 to provide grants to local units of government for local
26 recreation projects pursuant to part 716.

27 (2) Of the money allocated under section 19607(1)(a), ~~not~~

1 ~~less than \$40,000,000.00 or more than \$60,000,000.00~~
2 **\$93,000,000.00** shall be used for facilities that pose an imminent
3 or substantial endangerment to the public health, safety, or
4 welfare, or to the environment. For purposes of this subsection,
5 facilities that pose an imminent or substantial endangerment
6 shall include, but are not limited to, those where public access
7 poses hazards because of potential exposure to chemicals or
8 safety risks and where drinking water supplies are threatened by
9 contamination.

10 (3) Before expending any funds allocated under subsection
11 (1)(c) at a site that is an area of concern as designated by the
12 parties to the Great Lakes water quality agreement, the
13 department shall notify the public advisory council established
14 to oversee that area of concern regarding the development,
15 implementation, and evaluation of response activities to be
16 conducted with money in the fund at that area of concern.

17 (4) Money in the fund shall not be used to develop a
18 municipal or commercial marina.

19 (5) Money provided in the fund may be used by the department
20 of treasury to pay for the cost of issuing bonds and by the
21 department and the department of natural resources to pay
22 department costs as provided in this subsection. Not more than
23 3% of the total amount specified in section 19607(1)(a) to (f)
24 shall be available for appropriation to the department to pay its
25 costs directly associated with the completion of a project
26 authorized by section 19607(1)(a) to (f). Not more than 3% of
27 the total amount specified in section 19607(1)(h) and (i) shall

1 be available for appropriation to the department of natural
2 resources to pay its costs directly associated with the
3 completion of a project authorized by section 19607(1)(h) and
4 (i). It is the intent of the legislature that general fund
5 appropriations to the department and to the department of natural
6 resources shall not be reduced as a result of costs funded
7 pursuant to this subsection.

8 (6) A grant shall not be provided under this part for a
9 project that is located at any of the following:

10 (a) Land sited for use as a gaming facility or as a stadium
11 or arena for use by a professional sports team.

12 (b) Land or other facilities owned or operated by a gaming
13 facility or by a stadium or arena for use by a professional
14 sports team.

15 (c) Land within a project area described in a project plan
16 pursuant to the economic development corporations act, 1974
17 PA 338, MCL 125.1601 to 125.1636, for a gaming facility.

18 (7) The department, the department of natural resources, and
19 the department of community health shall each submit annually a
20 list of all projects that will be undertaken by that department
21 that are recommended to be funded under this part. The list
22 shall be submitted to the governor, the standing committees of
23 the house of representatives and the senate that primarily
24 address issues pertaining to the protection of natural resources
25 and the environment, and the appropriations committees in the
26 house of representatives and the senate. The list shall be
27 submitted to the legislative committees not later than

1 February 15 of each year. This list shall also be submitted
2 before any request for supplemental appropriation of bond funds.
3 For each eligible project, the list shall include the nature of
4 the eligible project; the county in which the eligible project is
5 located; an estimate of the total cost of the eligible project;
6 and other information considered pertinent by the administering
7 state department. A project that is funded by a grant or loan
8 with money from the fund does not need to be included on the list
9 submitted under this subsection. However, money in the fund that
10 is appropriated for grants and loans shall not be encumbered or
11 expended until the administering state department has reported
12 those projects that have been approved for a grant or a loan to
13 the standing committees of the house of representatives and the
14 senate that primarily address issues pertaining to the protection
15 of natural resources and the environment and to the
16 appropriations subcommittees in the house of representatives and
17 the senate on natural resources and environmental quality.
18 Before submitting the first cycle of recommended projects under
19 ~~section 19608(1)(a) pursuant to this~~ subsection **(1)(a)**, the
20 department shall publish and disseminate the criteria it will use
21 in evaluating and recommending these projects for funding.

22 (8) The legislature shall appropriate prospective or actual
23 bond proceeds for projects proposed to be funded. Appropriations
24 shall be carried over to succeeding fiscal years until the
25 project for which the funds are appropriated is completed.

26 (9) Not later than December 31 of each year, the department,
27 the department of natural resources, and the department of

1 community health shall each submit a list of the projects
2 financed under this part by that department to the governor, the
3 standing committees of the house of representatives and the
4 senate that primarily address issues pertaining to the protection
5 of natural resources and the environment, and the subcommittees
6 of the house of representatives and the senate on appropriations
7 on natural resources and environmental quality. Each list shall
8 include the name, address, and telephone number of the recipient
9 or participant, if appropriate; the name and location of the
10 project; the nature of the project; the amount of money allocated
11 to the project; the county in which the project is located; a
12 brief summary of what has been accomplished by the project; and
13 other information considered pertinent by the administering state
14 department.

15 Enacting section 1. This amendatory act does not take
16 effect unless House Bill No. 5270 of the 92nd Legislature is
17 enacted into law.