

SENATE BILL No. 572

October 4, 1989, Introduced by Senators N. SMITH,
BINSFELD, EHLERS, MACK, GAST and SHINKLE and
referred to the Committee on Natural Resources
and Environmental Affairs.

A bill to amend sections 11 and 19 of Act No. 204 of the
Public Acts of 1987, entitled
"Low-level radioactive waste authority act,"
being sections 333.26211 and 333.26219 of the Michigan Compiled
Laws; and to add sections 5a, 5b, 5c, 5d, 5e, 5f, and 5g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 11 and 19 of Act No. 204 of the Public
2 Acts of 1987, being sections 333.26211 and 333.26219 of the
3 Michigan Compiled Laws, are amended and sections 5a, 5b, 5c, 5d,
4 5e, 5f, and 5g are added to read as follows:

5 SEC. 5A. (1) THE AUTHORITY SHALL PURCHASE ALL REAL PROPERTY
6 NECESSARY FOR THE CONSTRUCTION AND OPERATION OF THE DISPOSAL SITE
7 AND SHALL OFFER TO PURCHASE FOR THE PURPOSE OF A BUFFER ZONE
8 PROPERTY WITHIN 500 FEET OF THE DISPOSAL SITE, AT THE FAIR MARKET
9 VALUE OF THE PROPERTY.

1 (2) IF THE PURCHASE OF A PORTION OF A PARTICULAR PARCEL OF
2 REAL PROPERTY IN FEE SIMPLE UNDER SUBSECTION (1) WOULD DESTROY
3 THE PRACTICAL VALUE OR UTILITY OF THE REMAINDER OF THAT PARCEL,
4 OR REDUCE THE FAIR MARKET VALUE OF THE ENTIRE PARCEL BY GREATER
5 THAN 50%, THE AUTHORITY SHALL OFFER TO PURCHASE THE ENTIRE
6 PARCEL.

7 (3) THE AUTHORITY SHALL OFFER TO ENTER INTO OPTION AGREE-
8 MENTS AND PAY PROPERTY OWNERS OPTION PAYMENTS ON ALL PARCELS OF
9 REAL PROPERTY TO BE PURCHASED IN FEE SIMPLE NECESSARY FOR THE
10 CONSTRUCTION AND OPERATION OF THE DISPOSAL SITE AT A PRICE OF 5%
11 OF THE FAIR MARKET VALUE OF THE PROPERTY, BUT NOT LESS THAN
12 \$500.00, IF THE OPTION AGREEMENT IS SIGNED BY THE PROPERTY OWNER
13 WITHIN 60 DAYS OF THE OFFER. OPTION PAYMENTS SHALL NOT BE
14 APPLIED AGAINST THE PURCHASE PRICE OF THE PROPERTY IF AN OPTION
15 IS EXERCISED. THE TERMS OF OPTIONS SHALL INCLUDE A PROVISION
16 THAT THE OPTION SHALL EXTEND FOR A PERIOD OF 1 YEAR AFTER THE
17 DATE THE OPTION AGREEMENT IS SIGNED BY THE PROPERTY OWNER. THE
18 OPTION AGREEMENT SHALL ALSO PROVIDE THAT THE OPTION WILL TERMINATE
19 IMMEDIATELY UPON AN ANNOUNCEMENT BY THE AUTHORITY THAT THIS
20 STATE IS NOT GOING TO CONSTRUCT THE DISPOSAL SITE. WITHIN 90
21 DAYS AFTER AN OPTION ON A PARCEL OF REAL PROPERTY IS TERMINATED,
22 THE STATE SHALL CLEAR THE TITLE OF THE PROPERTY AS IT RELATES TO
23 THAT OPTION.

24 (4) THE AUTHORITY SHALL PAY ALL REASONABLE RELOCATION COSTS
25 INCURRED AS A RESULT OF THE DISPOSAL SITE PURSUANT TO THE UNIFORM
26 RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT
27 OF 1970, PUBLIC LAW 91-646, 84 STAT. 1894.

1 SEC. 5B. (1) A FARMLAND EQUITY ADJUSTMENT PROGRAM IS
2 CREATED TO COMPENSATE PROPERTY OWNERS FOR THE PURPOSE OF ENCOUR-
3 AGING THE CONTINUATION OF AGRICULTURE AND REESTABLISHING AGRICUL-
4 TURAL LANDS DISPLACED BY THE DISPOSAL SITE.

5 (2) THE AUTHORITY SHALL PROVIDE A FARMLAND EQUITY ADJUSTMENT
6 PAYMENT TO A PROPERTY OWNER OF REAL PROPERTY GREATER THAN 5 ACRES
7 THAT IS ACQUIRED IN FEE SIMPLE BY THE AUTHORITY FOR THE DISPOSAL
8 SITE PRIOR TO OCTOBER 1, 1990. THE PAYMENT SHALL EQUAL 50% OF
9 THE FAIR MARKET VALUE OF THE REAL PROPERTY LESS THE FAIR MARKET
10 VALUE OF ANY HOMESTEAD; IMPROVEMENTS RELATED TO THE HOMESTEAD;
11 APPURTENANCES; AND ACREAGE RELATED TO OR ASSOCIATED WITH THE USE
12 OF THE HOMESTEAD, HOMESTEAD IMPROVEMENTS, OR APPURTENANCES. THIS
13 PAYMENT SHALL BE MADE TO THE PROPERTY OWNER AT THE TIME OF CLOS-
14 ING UNLESS THE PROPERTY IS SOLD PURSUANT TO A DEFERRED PAYMENT
15 AGREEMENT UNDER SECTION 5C.

16 SEC. 5C. (1) AT THE OPTION OF THE SELLER, THE AUTHORITY
17 SHALL PURCHASE PROPERTY UNDER SECTION 5A AND PROVIDE FARMLAND
18 EQUITY ADJUSTMENT PAYMENTS UNDER SECTION 5B ON A DEFERRED
19 INSTALLMENT PAYMENT SCHEDULE NOT TO EXCEED 10 YEARS AFTER THE
20 DATE OF PURCHASE. HOWEVER, THE AUTHORITY SHALL RECEIVE TITLE OF
21 THE PROPERTY AT THE TIME THE DEFERRED PAYMENT AGREEMENT IS
22 ENTERED INTO. IF PROPERTY IS PURCHASED ON A DEFERRED PAYMENT
23 SCHEDULE PURSUANT TO THIS SECTION, THE AUTHORITY SHALL PAY INTER-
24 EST ON THE BALANCE OWING TO THE SELLER AT THE SAME RATE AS THE
25 STATE'S RATE OF RETURN ON ITS INVESTMENTS IN THE COMMON CASH
26 FUND.

1 (2) IF PROPERTY IS PURCHASED ON A DEFERRED PAYMENT SCHEDULE
2 PURSUANT TO THIS SECTION, THE SELLER MAY REQUEST, AT ANY TIME,
3 FULL PAYMENT OF THE OUTSTANDING PRINCIPAL, PLUS ANY ACCRUED
4 INTEREST, OWING TO HIM OR HER. THE AUTHORITY MAY GRANT THE
5 SELLER'S REQUEST UNDER THIS SUBSECTION IN THE EVENT OF FINANCIAL
6 HARDSHIP OR OTHER REASONABLE CAUSE. IN THE EVENT OF DEATH OF THE
7 SELLER, THE AUTHORITY SHALL GRANT THE REQUEST.

8 (3) A DEFERRED PAYMENT AGREEMENT ENTERED INTO UNDER THIS
9 SECTION SHALL BE ASSIGNABLE.

10 SEC. 5D. (1) THE AUTHORITY SHALL PURCHASE UNDERGROUND
11 STRATIFIED FEE RIGHTS NECESSARY FOR THE CONSTRUCTION OR OPERATION
12 OF THE DISPOSAL SITE AT A MINIMUM PRICE OF \$5.00 PER 70,000 CUBIC
13 FEET, OR AT A HIGHER APPRAISED VALUE DETERMINED BY THE
14 AUTHORITY.

15 (2) THE AUTHORITY SHALL OFFER TO ENTER INTO OPTION AGREE-
16 MENTS AND PAY PROPERTY OWNERS OPTION PAYMENTS ON UNDERGROUND
17 STRATIFIED FEE RIGHTS UNDER SUBSECTION (1) AT A PRICE OF \$1.00
18 PER 70,000 CUBIC FEET, IF THE OPTION AGREEMENT IS SIGNED BY THE
19 PROPERTY OWNER WITHIN 60 DAYS OF THE OFFER. THE OPTION PAYMENT
20 SHALL NOT BE APPLIED AGAINST THE PURCHASE PRICE OF THE RIGHTS
21 ACQUIRED UNDER THIS SECTION IF THE OPTION IS EXERCISED. THE
22 TERMS OF AN OPTION PURCHASED UNDER THIS SECTION SHALL INCLUDE THE
23 SAME PROVISIONS FOR TERMINATION OF THE OPTION AS SPECIFIED IN
24 SECTION 5A(3).

25 SEC. 5E. (1) TO REIMBURSE LOCAL GOVERNMENTS FOR AD VALOREM
26 TAXES LEVIED UNDER THE GENERAL PROPERTY TAX ACT, ACT NO. 206 OF
27 THE PUBLIC ACTS OF 1893, BEING SECTIONS 211.1 TO 211.157 OF THE

1 MICHIGAN COMPILED LAWS, LOST DUE TO THE REMOVAL OF REAL PROPERTY
2 FROM THE PROPERTY TAX ROLLS FOR THE ESTABLISHMENT OF THE DISPOSAL
3 SITE, THE DEPARTMENT OF TREASURY SHALL MAKE PAYMENTS IN LIEU OF
4 TAXES TO THOSE LOCAL GOVERNMENTS THAT LEVY AD VALOREM TAXES.

5 (2) THE TREASURER OF EACH LOCAL TAX COLLECTING UNIT AFFECTED
6 UNDER THIS SECTION SHALL FORWARD TO THE STATE TREASURER A STATE-
7 MENT OF PAYMENTS LOST DUE TO THE REMOVAL OF REAL PROPERTY FROM
8 THE PROPERTY TAX ROLLS FOR THE ESTABLISHMENT OF THE DISPOSAL
9 SITE. THE STATEMENT SHALL INCLUDE A LEGAL DESCRIPTION OF EACH
10 PARCEL OF PROPERTY PURCHASED BY THE AUTHORITY UNDER THIS ACT THAT
11 IS LOCATED WITHIN THAT LOCAL TAX COLLECTING UNIT.

12 (3) THE STATE TREASURER SHALL CAUSE A WARRANT TO BE DRAWN ON
13 THE STATE TREASURY IN AN AMOUNT EQUAL TO THE AMOUNT OF PAYMENTS
14 REQUIRED BY THIS SECTION FOR EACH LOCAL GOVERNMENT AND SHALL
15 TRANSMIT THAT WARRANT TO THE TREASURER OF THE LOCAL GOVERNMENT
16 FOR DEPOSIT IN THE TREASURY OF THAT LOCAL GOVERNMENT. THE PAY-
17 MENTS TO A LOCAL GOVERNMENT REQUIRED BY THIS SECTION SHALL BE
18 CALCULATED BY MULTIPLYING THE CURRENT AD VALOREM MILLAGE RATE OF
19 THE LOCAL GOVERNMENT BY THE LESSER OF THE FOLLOWING AMOUNTS:

20 (A) FOR PROPERTY REMOVED FROM THE TAX ROLLS FOR THE ESTAB-
21 LISHMENT OF THE DISPOSAL SITE IN THE LOCAL GOVERNMENT, THE STATE
22 EQUALIZED VALUE OF THE PROPERTY IN THE YEAR PRIOR TO THE
23 REMOVAL.

24 (B) THE AMOUNT OBTAINED BY SUBTRACTING THE THEN CURRENT
25 STATE EQUALIZED VALUE OF THE LOCAL GOVERNMENT FROM ITS ADJUSTED
26 STATE EQUALIZED VALUE. THE ADJUSTED STATE EQUALIZED VALUE FOR
27 THE YEAR IN WHICH THE PROPERTY IS REMOVED FROM THE TAX ROLLS

1 SHALL BE CALCULATED BY MULTIPLYING THE LOCAL GOVERNMENT'S PRIOR
2 YEAR'S STATE EQUALIZED VALUE BY THE INFLATION RATE FOR THE THEN
3 CURRENT YEAR AS CERTIFIED UNDER SECTION 34D OF THE GENERAL PROP-
4 ERTY TAX ACT, ACT NO. 206 OF THE PUBLIC ACTS OF 1893, BEING SEC-
5 TION 211.34D OF THE MICHIGAN COMPILED LAWS. THE ADJUSTED STATE
6 EQUALIZED VALUE FOR SUBSEQUENT YEARS SHALL BE CALCULATED BY
7 MULTIPLYING THAT YEAR'S INFLATION RATE BY THE PRIOR YEAR'S
8 ADJUSTED STATE EQUALIZED VALUE OF THE LOCAL GOVERNMENT.

9 SEC. 5F. A PROPERTY OWNER WHOSE PROPERTY IS ACQUIRED FOR
10 THE DISPOSAL SITE MAY RETAIN IMPROVEMENTS FOR REMOVAL FROM THE
11 SITE AT SALVAGE VALUE. A SALVAGE VALUE WILL BE PREPARED BY THE
12 AUTHORITY AT THE REQUEST OF THE PROPERTY OWNER.

13 SEC. 5G. THE AUTHORITY SHALL PROVIDE INFORMATION AND ASSIST
14 INDIVIDUALS IN AREAS IMPACTED BY THE CONSTRUCTION AND OPERATION
15 OF THE DISPOSAL SITE IN OBTAINING JOB TRAINING FOR WORK ASSOCI-
16 ATED WITH THE DISPOSAL SITE.

17 Sec. 11. (1) The authority shall utilize the powers and
18 exercise the duties provided in this act to designate 3 qualified
19 and available candidate sites in this state. Not later than
20 June 1, 1988, the authority shall designate 3 qualified candidate
21 sites.

22 (2) In designating 3 candidate sites, the authority shall
23 exclude any site that is not all of the following:

24 (a) Suitable for providing a stable foundation for engi-
25 neered containment structures that comprise the disposal unit.

1 (b) Located where the groundwater travel time along any
2 100-foot flow path from the edge of the disposal unit is greater
3 than approximately 100 years.

4 (c) Located where there is 6 or more meters of soil with a
5 maximum permeability of 1.0×10^{-6} cm/sec at all
6 points below and lateral to the bottommost portions of the leak
7 detection system of the disposal unit or an area that provides
8 equivalent environmental protection to the public ~~—~~ health,
9 safety, and welfare, and the environment.

10 (d) Located where the unconfined water table which is not
11 the potentiometric surface, is sufficiently low to prevent the
12 intrusion of groundwater into the disposal unit, except as out-
13 lined under 10 C.F.R. 61.50 (a)(7).

14 (e) Located in an area that is not above an aquifer that is
15 the primary source of water for a municipality or county or for
16 persons residing or doing business in the municipality or county
17 where a candidate site is located.

18 (f) Free of ponding or capable of being drained in a manner
19 that insures the integrity of the disposal unit.

20 (g) Suitable to insure the isolation of the waste.

21 (3) In designating 3 candidate sites, the authority shall
22 give preference to sites that are all of the following:

23 (a) Able to meet the long-term performance objectives of
24 subpart C of 10 C.F.R. part 61.

25 (b) Able to be characterized, modeled, analyzed, and
26 monitored.

1 (c) Located where natural resources do not exist on or
2 significantly near to the candidate site that, if exploited,
3 would result in failure to meet the performance objectives in
4 subpart C of 10 C.F.R. part 61.

5 (d) Located where projected population growth and future
6 developments within the municipality and county where the candi-
7 date site is located are not likely to affect the ability of the
8 disposal site to meet the performance objectives in subpart C of
9 10 C.F.R. part 61 or could not significantly interfere with an
10 environmental monitoring program.

11 (e) Consistent with the requirements of federal laws,
12 including all of the following:

13 (i) Atomic energy act of 1954, chapter 1073, 68 Stat. 919.

14 (ii) Federal water pollution control act, chapter 758, 62
15 Stat. 1155, 33 U.S.C. 1251 TO 1252, 1253 TO 1254, 1255 TO 1257,
16 1258 TO 1263, 1265 TO 1268, 1281, 1282 TO 1293, 1294 TO 1299,
17 1311 TO 1313, 1314 TO 1326, 1328 TO 1330, 1341 TO 1345, 1361 TO
18 1377, AND 1381 TO 1387.

19 (iii) Coastal zone management act of 1972, TITLE III OF
20 Public Law 89-454, 16 U.S.C. 1451 to 1454b, ~~1455~~ 1457 to 1459,
21 1461 to 1463, AND 1464.

22 (iv) Endangered species act of 1973, Public Law 93-205, 87
23 Stat. 884.

24 (v) Wild and scenic rivers act, Public Law 90-542, 16
25 U.S.C. 1271 to 1287.

26 (vi) Wilderness act, Public Law 88-577, 16 U.S.C. 1131 to
27 1136.

1 (vii) National wildlife refuge system administration act of
2 1966, SECTIONS 4 AND 5 OF Public Law 89-669, 16 U.S.C. 668dd,
3 668ee.

4 (viii) Chapter 593, 49 Stat. 666, 16 U.S.C. 461 to 467.

5 (ix) The national historic preservation act, Public Law
6 89-665, 16 U.S.C. 470 to 470a, 470b, 470c to 470w-6.

7 (h) Located so that the upstream drainage area is minimized
8 to decrease runoff that could erode or inundate waste placed in
9 the disposal unit.

10 (i) Located where geologic processes such as mass wasting,
11 erosion, slumping, landsliding, or weathering do not occur to the
12 extent and with such frequency that the ability of the disposal
13 site to meet the performance objectives in subpart C, 10
14 C.F.R. 61.40 to 61.44 is significantly affected or may preclude
15 defensible modeling and prediction of the long-term impact of
16 such occurrences.

17 (4) The authority may waive 1 or more of the criteria in
18 subsection (3) if the authority obtains written approval for the
19 waiver from the director and the authority and the director
20 determine that the waiver will not compromise the public health,
21 safety, or welfare, or the environment and that a site for which
22 a waiver is sought is an appropriate candidate site despite the
23 site's inability to meet 1 or more of the criteria in subsection
24 (3). In addition, prior to waiving 1 or more of the criteria in
25 subsection (3), the authority shall provide public notice of a
26 proposed waiver of 1 or more of the criteria in subsection (3)

1 and shall conduct a public hearing to provide for public comment
2 regarding the waiver.

3 (5) THIS ACT SHALL NOT BE CONSTRUED TO INDICATE A PREFERENCE
4 FOR SELECTING A CANDIDATE SITE THAT IS LOCATED IN A COUNTY THAT
5 IS ON THE BORDER OF THIS STATE.

6 Sec. 19. (1) The authority shall establish a fee system for
7 the disposal site that is reasonable and equitable and that pro-
8 vides the authority with sufficient revenue to cover any and all
9 costs associated with the disposal site, including, but not
10 limited to, the planning, siting, licensure, operation, regula-
11 tion, monitoring, site closure and stabilization, post closure
12 monitoring and maintenance, institutional control, and liability
13 pertaining to the disposal site. In addition, the authority
14 shall assure that sufficient funds will be available in the
15 low-level radioactive waste fund for all of the following:

16 (a) The authority and all of the expenses the authority
17 incurs in meeting the requirements of this act, part 137, and the
18 rules promulgated under part 137.

19 (b) The expenses of the department that pertain to the
20 department's regulatory responsibility under part 137.

21 (c) If this state is a member of the compact, the expenses
22 of the commission.

23 (d) The international low-level radioactive waste research
24 and education institute established pursuant to section 17.

25 (e) The review board established pursuant to section 13.

26 (f) Local monitoring committees.

1 (g) The siting criteria advisory committee established
2 pursuant to section 8.

3 (h) If this state is a member of the compact, the expenses
4 of compact member states that are incurred to obtain privileges
5 in this state to enable waste generated in the compact member
6 states to be disposed of in the disposal site.

7 (i) If this state is a member of the compact, the funds
8 required to be paid to the commission by the compact member
9 states.

10 (j) Compensation to the host site community and any county
11 or municipality in this state for the reasonable direct costs
12 related to the disposal site including, but not limited to,
13 ~~necessary road and other~~ ROADS, WATER SYSTEMS, SEWERS, WASTE
14 DISPOSAL SYSTEMS, PREPARING NEW TAX DESCRIPTIONS FOR PROPERTY
15 IMPACTED BY THE DISPOSAL SITE, capital improvements, emergency
16 response training, and other specialized personnel training, THAT
17 ARE CONSIDERED TO BE NECESSARY BY THE AUTHORITY.

18 (k) Benefits to the candidate sites and host site community
19 including incentives available to candidate sites and the host
20 site community, pursuant to agreements reached by the commission
21 and with the authority.

22 (l) Provide funds sufficient to fulfill the provisions of
23 sections 13714 and 13715 of part 137.

24 (m) Annually to this state for unrestricted purposes,
25 \$500,000.00.

26 (n) Annually to the host site community for unrestricted
27 purposes, ~~\$800,000.00~~ \$600,000.00.

1 (O) ANNUALLY TO MUNICIPALITIES THAT ARE NOT THE HOST SITE
2 COMMUNITY BUT ARE LOCATED WITHIN A 6-MILE RADIUS OF THE DISPOSAL
3 SITE, \$400,000.00 TO BE DIVIDED, BASED ON POPULATION DENSITY,
4 AMONG ELIGIBLE MUNICIPALITIES.

5 (P) ~~(o)~~ Costs incurred by a municipality or county as a
6 result of externalities associated with the disposal site.

7 (Q) ~~(p)~~ Revenue for the funds created in subsection (2).

8 (R) ~~(q)~~ Paying debt service on revenue bonds issued pursu-
9 ant to section 20a.

10 (2) The remedial action fund, the long-term liability fund,
11 the long-term care fund, and the tax contingency fund are created
12 as separate funds in the department of treasury. The funds cre-
13 ated in this subsection shall be administered by the authority.
14 The income and earnings of the funds created in this subsection
15 shall be added to the assets of the fund which generated the
16 income. The funds created in this subsection shall be funded and
17 expended as follows:

18 (a) Not less than \$10,000,000.00 during the period the dis-
19 posal site accepts waste for disposal, for deposit in the reme-
20 dial action fund which shall be available only to pay for reme-
21 dial action taken by the authority in the event of a release or
22 threatened release from the disposal site that presents a danger
23 to the public health, safety, or welfare, or the environment.

24 (b) Not less than \$500,000.00 annually for deposit in the
25 long-term liability fund which shall be available only to pay
26 judgments or judicially approved settlements of claims against
27 the authority, the commission, or any compact member state for

1 death, personal injury, illness, or property damage resulting
2 from the disposal of low-level radioactive waste at the disposal
3 site. The long-term liability fund shall be used only after
4 funds available pursuant to sections 13714 and 13715 of part 137
5 have been exhausted.

6 (c) Not less than \$600,000.00 annually for deposit in the
7 long-term care fund which shall be available only to pay for the
8 expenses of site closure and stabilization and institutional
9 control.

10 (d) Not more than \$100,000.00 annually for deposit in the
11 tax contingency fund which shall be available for reasonable pay-
12 ments in lieu of real property taxes which, but for ownership of
13 the disposal site by the authority, would be payable with respect
14 to the disposal site, for as long as the disposal site is not
15 subject to pay property taxes.

16 (3) The authority shall impose a 20% surcharge to be added
17 to the disposal fees established under subsection (1). The sur-
18 charge shall be sufficient to cover the following expenses and
19 shall be distributed by the authority according to the
20 following:

21 (a) The host site community shall receive 35% of the sur-
22 charge or \$400,000.00, whichever is greater.

23 (b) One or more municipalities that share a boundary with
24 the host site community shall receive 20% of the surcharge or
25 \$400,000.00, whichever is greater. If there is more than 1
26 municipality that is eligible for funding under this subdivision,
27 the eligible municipalities shall split equally that funding.

1 (c) The county in which the host site is located shall
2 receive 15% of the surcharge or \$300,000.00, whichever is
3 greater.

4 (d) The environmental response fund created in the environ-
5 mental response act, Act No. 307 of the Public Acts of 1982,
6 being sections 299.601 to 299.611 of the Michigan Compiled Laws,
7 shall receive 15% of the surcharge or \$400,000.00, whichever is
8 greater.

9 (e) The clean Michigan fund created in the clean Michigan
10 fund act, Act No. 249 of the Public Acts of 1986, being sections
11 299.371 to 299.393 of the Michigan Compiled Laws, shall receive
12 15% of the surcharge or \$200,000.00, whichever is greater.

13 (4) The authority may impose a just and reasonable surcharge
14 on any generator, carrier, processor, or collector who does not
15 comply with part 137 or the rules promulgated under part 137.

16 (5) In the second and each subsequent year of the operation
17 of the disposal site, the amount of each fee established in sub-
18 section (1) shall be increased in proportion to each annual
19 increase for the preceding year in the annual consumer price
20 index for all urban consumers as defined and officially reported
21 by the bureau of labor statistics of the United States department
22 of labor for the north central region of the United States. If
23 the disposal site does not operate for the entire year during the
24 second or last year the disposal site accepts waste, the propor-
25 tional increase provided for in this subsection shall be prorated
26 according to the number of months of operation.

1 (6) The fee system created by the authority under subsection
2 (1) for the disposal of waste in the disposal site shall not be
3 dependent on revenues received for the disposal of class C waste
4 and shall be based on both of the following:

5 (a) The volume, radioactivity, and half-life of the waste
6 deposited in the disposal site. The fee shall be proportionately
7 higher for waste that has higher levels of radioactivity as mea-
8 sured in curies, and for waste that has longer half-lives.

9 (b) A realistic model of the projected cost of the disposal
10 of each classification of waste.

11 (7) All revenues in the fee system created under subsection
12 (1) that result from the disposal of class C waste in the dis-
13 posal site shall be deposited in the clean Michigan fund created
14 in the clean Michigan fund act, Act No. 249 of the Public Acts of
15 1986, being sections 299.371 to 299.393 of the Michigan Compiled
16 Laws.